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NOTES OF THE WEEK.

Let all those who are afraid of defeatists and pacifists, and all those who are called by these same pacifists "bitter-enders" and "jusqu'auboutists," all those, in short, who think that the Entente Powers must dictate peace in Berlin, go down on their knees and thank God for the German peace offering. Herr von Payer's speech at Stuttgart is the most magnificent manifesto for the extreme war party, and the deadliest blow that the pacifists have yet received. If Mr. Havelock Wilson, and Mr. Maxse, and the editor of the *Morning Post*, and the leaders of "The National Party," had sat down in company to compose something which should whip up the sluggard, and shut the mouths of Mr. Henderson and Miss Macarthur, and serve the arm of the internment committee, they could not have drafted anything half so skilful as the German Vice-Chancellor's impudent effusion.

If Matthew Arnold's friend Arminius (in "Friendship's Garland") were alive, he would write opposite the name of Payer the word: "dummkopf" or "esel." And yet the Germans are supposed to be intelligent! In view of "our favourable military position," Herr von Payer magnanimously waives the claims to indemnities to which Germany as the injured and attacked party is entitled, partly because Germany has no lust for treasure or territory, and partly because "it would not be worth while" to pursue indemnities at the cost of a long war. "Qui se trompe-t-on ici?" Who is deceived by this insane bluff? "Our favourable military position" consists in being pushed rapidly out of all French and Belgian territories with enormous losses, and the certainty of meeting next spring an army of six or seven million young, well-fed, and well-armed American, British and French troops. At the very moment when this lofty disdain of indemnities was being given to the world, Germany was receiving a first instalment of £75,000,000 in gold, of the £300,000,000 indemnity from starving Russia!

Though Austria undoubtedly applied the match to the European bonfire, she was egged on by Germany, and she has no such horrible crimes as Germany to answer for. The Austrians have this further advantage, that they know how to write and speak like gentlemen, which the Germans can never learn. The Austrian circular note proposing informal and unbinding conversations on peace between the representatives of the belligerents is courteously worded, and without any of the vulgar boastings and hypocritical appeals to God which make the speeches of the Kaiser and his Ministers so revolting. Mr. Balfour treated the note with dignified and polite incredulity; but an inch or two of progress is made every time a fresh note or manifesto is issued. By Christmas we shall crawl up to something sensible, particularly if our armies maintain the present rate of advance.

It is impossible to forget that at an early period of the war, when faced with the first of the Welsh strikes, Mr. Lloyd George advised organised Labour to "be bold: to be audacious; 'open thy mouth wide and I will fill it.'" The Prime Minister to-day may have forgotten, and certainly must wish to forget, those unwise words, which those to whom they were addressed have not forgotten. We are all reaping in the anxiety of to-day what the Radicals have been sowing for the last twenty years. Organised Labour has been so flattered and cockered up by Messrs. Asquith and Lloyd George that the handworkers have come to regard themselves as gods, not only above the law—there they have been placed by Lord Loreburn and the Trades Disputes Act—but superior to the obligations of patriotism and common honesty in dealing with their employers, who are now in most cases the Government, that is, the nation.

There are two simple questions which we wish to ask the Government, and the public, not in any hope of getting an answer, but for the purpose of suggestion. First: why are Englishmen, Scotchmen, and Welshmen compelled to serve in the Army, while Irishmen are not? Second: why are Englishmen, Scotchmen, and Welshmen compelled to risk their lives for eighteen pence a day, if they are between the ages of 18 and 51, while those who are over that age, or who have been exempted between those ages as possessors of special skill, are allowed to work or not as they please, and to fix their own remuneration at most exorbitant figures? If a man of fighting age is allowed to stay at home because he is a coal-getter, or an engineer, or a shipwright, or a stevedore, surely he ought to be compelled to get coal, or drive engines, or build ships, or unload them. That is part of the bargain.

At last the Government has made up its mind to do something to stop the epidemic of strikes, which threaten the continuance of the war. Having taken its courage in both hands, the Government has caused the Solicitor-General, on behalf of the Crown, to apply to Mr. Justice Salter, sitting in Chambers, for an injunction to restrain the Amalgamated Association of Operative Cotton Spinners from paying strike-pay to the cotton operatives who are out. This is the most important news of the week. Without strike-pay a strike

cannot continue more than a few days, for the working men and their wives spend their enormous wages as fast as they get them. Why has the Government not thought of this simple expedient before? It is a bold and shrewd stroke, and if applied to colliers and railwaymen will rescue the nation from the degrading tyranny under which it is groaning. The Judge, of course, granted the injunction: if the Trade-Union disobeys the Court, we shall know where we are.

Mr. Samuel Gompers, who has broken his "birth's invidious bar" and climbed to a position of power in the United States only second to that of President Wilson, must be a man of extraordinary ability. The Inter-Allied Labour and Socialist Conference has proved to be as divided and tumultuous as most democratic assemblies. But if Mr. Gompers really represents the opinion of organised labour in America, it is as well to note that he excludes from the peace terms (1) the economic boycott, (2) all annexations and indemnities. The first exclusion puts the lid on Mr. Hughes and the Tariffists. The second means the restoration of the colonies to Germany, and of Mesopotamia to the Turks, and prohibits compensation to Belgium. We do not know whether it bars the recovery of Alsace and Lorraine to France. But as Great Britain and the Dominions will never agree to give the colonies back to Germany, or Mesopotamia to the Turks, it would be as well if the British and American Governments came to some clear understanding about the speeches of Mr. Samuel Gompers.

The full text of the Rowlatt Committee on Indian sedition ought to be published as soon as received. *The Times* gives us tantalising scraps of what is evidently an exciting document. But enough has appeared to convince all sane men that the lid must be put down on the Montagu-Chelmsford scheme of Home Rule. The Brahmins of Poona are up to the chin in murderous conspiracy, and it must not be forgotten that the Hindus are the majority, and the Hindus are ruled by their priests. The astounding part of the report, however, is the proof of German bribery and intrigue. What a people! In Ireland, in Mexico, in India, in the United States, in Egypt, in Russia, the corrupt agents of Germany have been discovered, stirring up treason and murder, plots and conspiracies. And the Germans have been at this fiendish work for the last twenty years, for the seditious murders and riots in India at the close of last century have been traced to German intrigue. When Prince Henry visited the United States he was received with boundless American hospitality. When the Crown Prince visited India he was shown and given the best of everything. Never again!

Sir William Meyer's proposal to increase India's contribution of soldiers was left by the Viceroy's Council to the decision of the non-official members, of whom eighteen voted for and five against the motion. According to the Simla correspondent of *The Times*, "the opposition's speeches represented political obscurantism of the worst description, the speakers pleading India's alleged poverty, and obviously failing to recognise her direct interest in the result of the war." It is notorious that India has made a great deal of money out of the war, and was never so prosperous. The increased number of troops Sir William Meyer proposes to provide for is only 360,000, which is about 1 per cent. of the population. From these facts we may measure the patriotism of some of the leading reformers, notably the Pundit Malaviya, to whom Mr. Montagu proposes to entrust the government of India.

We publish on another page the correspondence between Colonel Page Croft—away from his regiment he has no right to call himself General—and Sir George Younger, the Chairman of the Central Unionist Association. The insolent letter which Colonel Page Croft addressed to all M.P.'s and candidates comes to this, that members of Parliament are to vote according

to the dictation of rowdy meetings in Hyde Park and Trafalgar Square. This is mob-government with a vengeance. Sir George Younger's answer puts the Colonel in his proper place, which is that of a saucy demagogue, whose head is as empty as the cash-box which he vainly rattles in the face of a contemptuous public. We congratulate the Unionist Association upon formally repudiating all connection with this group of chattering and irresponsible politicians.

Sir Maurice de Bunsen will shortly arrive home from New York, and will, we hope, publish his report to the Foreign Office on his South American Mission. The Mission has been a political and diplomatic success, but we are afraid that commercially nothing has been achieved. Sir Maurice de Bunsen, as we said last week, has charming manners and is a most accomplished linguist. But after all the Mission was not sent, at great expense, to South America to make bows and pretty speeches and eat dinners. It was sent for the purpose of ascertaining how British trade can fill the void created by the ousting of the Germans, and how it can compete in friendly rivalry with the Americans and the Japanese, who are already very busy in the Argentine and Brazil. Two notorious facts, which we need not wait to read in Sir Maurice de Bunsen's Report, are that the diplomatic representation of Great Britain in South America has been inadequate, and that our commercial interests have been inexcusably neglected by the Foreign Office.

There is not a British Ministry in South America that is properly paid or decently housed, with the consequence that first-rate diplomatists do not go there. Rio Janeiro, Buenos Aires, and Santiago, have too long been regarded by the F.O. as shelves for the incompetent, or half-way houses for the aspiring; never as appointments for the first-rate. At Rio Janeiro the Minister generally resides at Acropolis, a village in the mountains, some hours' distance from the Capital. When we were at Buenos Aires, some years ago, the British Minister was a man of good family—that goes without saying—but he had the trifling misfortune of being almost stone-deaf, and he lived with his family in a suburban villa about an hour's distance by train from the city. The business was done by the Legation Secretary in a poky office in the city. Sir Reginald Tower, the present Minister, is an able and conscientious diplomatist, who works like a slave, and is deservedly popular with British and Spanish alike. But he is underpaid and understaffed: he has no house and lives in an hotel. We are sure that Count Luxburg before his expulsion occupied a palace.

"The fell serjeant death" has been, indeed, "strict in his arrests" during the past fortnight, Lord Robson, Field-Marshal Lord Nicholson, Sir George Reid, and Sir Samuel Evans being his prominent victims. Lord Robson was a fluent lawyer, of the Common Law bar, who first made his way in the County Courts, and who was personally popular. He was not a great lawyer, but he was genial and alert. Some years ago he had a stroke, which necessitated his retirement from the Lordship of Appeal, to which he was promoted from the Attorney-Generalship, and since then his health has been the source of anxiety to his many friends. Lord Nicholson was a distinguished soldier in the days of small wars, but he never had anything more difficult to grapple with than the South African war, which to-day seems what Lord Halsbury once called it: "a sort of a kind of war." Sir George Reid's career was run in Australia, and he was little known in this country. His death will cause a vacancy in the Parliamentary division of St. George's, Hanover Square, the blue riband of the parliamentary turf: but as it has been redistributed by the new Franchise Act, the writ will probably not be moved for.

The interesting figure of the four was the President of the Probate Admiralty and Divorce Division. Some thirty years ago, in the eighties and nineties, four

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young Welshmen formed a kind of Fourth Party, whose principle of action was stubborn and unlimited obstruction of all legislation intended to benefit the Church of England. On one occasion the doughty Four made themselves so objectionable by their obstructive tactics that Mr. Gladstone, then in the meridian of his authority, was brought into the Grand Committee room in order to cow them. But the Four Welshmen were not in the least awed, and budged not an inch. The names of these Four were David Lloyd George, D. A. Thomas, J. W. Phillips, and Sam Evans. The first is now Prime Minister; the second became Lord Rhondda; the third is Lord St. Davids; and the fourth became Solicitor-General and finally President of the Divorce Court. Thus they were quite as distinguished as poor Randolph Churchill's Fourth Party, and more lucky.

Sam Evans began life as a Welsh attorney, and he was, on being called to the Bar, entirely made by the Welsh Circuit, which is, and always has been, somewhat of a family party. Evans was more beloved by solicitors than by the Bar or the Bench, for he was an indomitable fighter, but his manners were never polished to the public school and University coat. He certainly was not a scholarly lawyer; but he was so industrious and intelligent that he mastered his law as he went along, and he made a surprisingly strong judge, especially in the Prize Court cases, with which, since the war, he was entirely occupied. Yet he can have known nothing of maritime law four years ago. He was fond of good living, and very human all round. His career is an illustration of the saying, generally true, that any man is competent to perform the duties of an office which he has been clever enough to obtain. He admitted before his death that his Radicalism was much abated.

Colonel Lord Alexander Thynne is reported to have fallen in action on Sunday last. If the news be true, the regret will be sincere and universal. Lord Alexander Thynne was the brother of the Marquis of Bath, and was one of the Unionist members for the City of Bath, where he was very popular and respected. For the last eighteen years he was a member of the London County Council, and was chairman of the Improvements Committee. He held a commission in the Imperial Yeomanry during the South African War, for which he received two medals, and he at once volunteered for active service in 1914. Lord Alexander was in the prime of life (45) and was a very handsome man. He would undoubtedly have obtained political office, for he had considerable ability and a decided taste for political intrigue. He had a comical habit of conversing in mysterious whispers, as if he was imparting State secrets, which sometimes was the case, as few men knew better the *dessous des cartes*. Everybody liked Lord Alex, both in society and the House of Commons.

We are glad to emphasise the fact, of which a correspondent last week reminded us, that the Mrs. Fawcett who spoke of investments in war bonds as "blood-money" (in defiance of "Dora"), was not Mrs. Henry Fawcett (the distinguished widow of the statesman and political economist), who is President of the National Union of Women's Suffrage Societies. We take this opportunity of apologizing to Cambridge for the mistake of one of our reviewers, who gave Rupert Brooke to Oxford. It is a curious fact that nearly all the young poets come from Cambridge, though the late Vice-Chancellor of Oxford is a poet and a critic of poets, and though Magdalen, New College, St. John's, and Christ Church, "whispering from their towers the last enchantments of the Middle Age" are surely more poetical bowers than "The Backs," or King's, or Trinity, or John's. We are afraid there are a good many printer's and reader's errors nowadays. But until war-time conditions improve, we must be content to "live in a blaze of apology," as Disraeli once said of Gladstone.

WAR NOTES.

As might be inferred, the renewed Allied attack in the Balkans is a sequel to the American success before Metz. Remarkable modesty has characterised General Pershing's communiques. Tactically, however, the feat of the American troops in the operations against the St. Mihiel salient has to be ranked among the most brilliant of the war. It was a severe test for new troops under presumably inexperienced commanders to launch a movement of that kind against elaborately fortified lines, to keep the movement from becoming ragged, and to carry it out strictly according to plan and well up to the time table. The American Staff work must have been excellent.

Because of all that this success has had a wide repercussion. Calculating that American troops under American commanders would prove to be raw, and therefore the less formidable, the Germans in stiffening their resistance between the Aisne and the sea had been using up their remaining military resources freely, partly because they knew that in gaining control one after another of the jumping-off places the French and British were getting ready for the next big "push," partly because an apparent—it is the very reverse of a real—check to the Allies here would afford an opening for peace manœuvres. In those calculations the inferiority of the Americans operating under their own commanders, was evidently taken as axiomatic. The high fighting efficiency discovered by General Pershing's forces both destroyed the political groundwork of the scheme, and rendered the enemy's sacrifices futile.

Dreading efficiency much more than numbers, the Germans find themselves confronted round Metz, and following upon the destruction of the St. Mihiel salient and the break-up of the divisions holding it—the prisoners and material taken leave no doubt on that point—with a new and unlooked-for obligation, and they must be well aware that with the steady arrival of American reinforcements that obligation cannot easily be measured.

They have, in fact, suddenly realised that their situation on the West is one of unallowed-for gravity. If they do not react strongly round Metz the Americans will for a certainty pinch them out; if they do, all the chances are that their line covering Laon and Cambrai will be driven in, and those bases uncovered. Should they essay both defensive efforts the intensified strain on their now tired troops and depleted material can only hasten the end. It is a notable feature of the strategy of Marshal Foch that he stands to "have it" one way or the other. Whichever course the enemy may adopt has been provided for. It is a great mistake to imagine that the Allied opportunities have become more limited.

The American revelation of efficiency has revolutionised the whole perspective of the enemy Confederation. So long as there was some hope of achieving a deadlock on the West, Allied intervention in Russia was for the time a secondary matter. But the hope of achieving a deadlock having gone—and in view of the American operations it would be childish to entertain it—affairs in Russia have assumed a much more urgent aspect. Germany's eastern "conquests" are imperilled.

Unable any longer to face the struggle on the West single-handed, the German Government has been obliged increasingly to draw upon Austria both for troops and for material of war. The Allied attack in the Balkans is a reason for climbing those demands. Without Austrian aid, now that the Greek Army has been added to the Allied contingents, the Bulgarians would be overweighted. Austria is pulled at in both directions. Prussia's dependents have more urgent motives for getting out.

WHO PLAYS PAYS.

Nobody can doubt the sincerity of the desire for peace on the part of the Central Empires, because the war is going against them both in the West and the East. This makes it all the more difficult to explain the sinking of the "Galway Castle" and the repeated air-raids on Paris. If the German High Command has at last perceived that the Allies must win in the long run, one would have supposed they would "reverse engines," and abandon frightfulness. If they really want peace, or an armistice, their obvious policy is to try and behave like "white men," to "assume a virtue" if they have it not. They ought to stop all air-raids and recall their U-boats, or such as they can get hold of. But judging others by themselves, the Germans cannot get rid of the delusion that fear is the only operant motive of human action: and so they go on piling up costs in the bill they must shortly meet. There is, of course, another possible explanation of the fact that the Germans continue to outrage the feelings of a civilised world, which may be given, prosaically, in the common proverb, that it is as well to be hung for a sheep as a lamb. Poetically, the same argument is expressed by Macbeth, who, having killed Duncan and Banquo, thinks he may as well kill Macduff and Malcolm.

"I am in blood
Step'd in so far that, should I wade no more,
Returning were as tedious as go o'er."

After Belgium and the "Lusitania," the Germans probably think they cannot make things worse by such trifles as the "Galway Castle" and the air-raids on Paris, and the murder of their American prisoners in cold blood. But it is a miscalculation, like the whole war. The Germans have managed to exasperate the Americans to such a pitch that, even if the British and French were disposed to let them down gently, President Wilson and General Pershing will exact punishment to the uttermost ounce of the capacity of the conquered to pay.

The simultaneous appearance of Herr von Payer's speech and Count Burian's Note to the Powers is the old game of trying-it-on from two sides. The Germans are conscious that the Austrians are not quite so much hated as themselves, and are better able to express themselves like gentlemen. They are therefore quite willing that the Austrians should try the effect of a regular diplomatic advance by the conventional Note presented formally by the Ambassadors of Neutral Powers. Of course the Wilhelmstrasse knows nothing about the doings of the Ballplatz, and is not responsible for its action, just as Berlin knew nothing of the Austrian ultimatum to Serbia. But the Germans doubtless hoped that the old diplomatic traditions would respond to the appeal, and discuss in leisurely and courteous fashion its terms, thus generating a peaceful atmosphere. If this was their hope, it has been rudely dissipated by the new diplomatic method of the United States, whose Secretary, on the instruction of President Wilson, has instantly replied that the peace terms of the Allies have already been stated, and that no informal conversations or conferences can be begun except upon the acceptance of those terms. It is a rude blow to the old diplomacy of aristocratic reserve: in fact, it puts the old diplomat out of business. We do not altogether approve of the American brusqueness; it does not augur well for the future peace of the world: but on this occasion, dealing with the Central Empires as at present governed, it is the best, or rather, the only way. The Wilhelmstrasse will probably chuckle over the failure of the Ballplatz, and congratulate itself on the superiority of the German Vice-Chancellor's impudent bluff. It has, however, little reason to congratulate itself.

Herr von Payer is described as a pillar of South German Liberalism, and we have always recognised, to our surprise, that the Bavarians are quite as ferocious and absurd in their war-aims as the Prussian junkers, Conservatives, and so-called Liberals of Berlin. It would be waste of time and paper to examine in detail Herr von Payer's tissue of lies

and follies. The treaties with Russia, and Roumania, and the Baltic provinces "we can never permit anyone to meddle with." The territorial possessions of everyone, as they existed before the war, can be restored; that is, the German colonies are to be handed back, while Belgium can be restored "without encumbrance and without reserve." On the question of indemnities, the Vice-Chancellor discovers the absence of all sense of humour, which is the national characteristic. "Had we been allowed to pursue our work in peace there would have been no war, no injury. There can be no question, therefore, of our paying, but only whether we should receive compensation for injuries inflicted on us. We are deeply convinced that as the innocent and attacked party we have the right to indemnification." Herr von Payer has just enough sense to realise that nobody is going to pay Germany, except the wretched Russians, and we doubt whether a second instalment of the indemnity will be forthcoming. But the Vice-Chancellor has not yet realised that "Who plays pays." Germany has played for high stakes, and played most foully: having lost, it is she who will have to pay the winners.

We have not been much edified by the dentist's diary that has been running through *The Times*: apart from the breach of confidence and want of taste, we have not found there much real information. But in his final chapter Dr. Davis has made one observation which is shrewd, and we think will be verified by the event. The German nation will be delivered from its present rulers by the officers of the army. This sounds like a paradox: but Dr. Davis reminds us that the old type of professional officer, always an aristocrat, has been killed: not all, but very many. The new German officer is, like the officers in the other armies, a civilian, with the ideas and sympathies of the mercantile or professional class from which he comes. Although the German bourgeoisie has been trampled on by drill-sergeant and adjutant for more than a century, the war has been a failure, and the new officer may well think the hour of his deliverance has sounded. The Army will not revolt, except under the leadership of its officers, and we agree with Dr. Davis that without the Army no revolution can succeed. There is only one chance for the Hohenzollerns: they may make terms with the Socialists, and, passing over the prostrate bodies of the junkers and the middle class, found an empire after the model of the second Napoleon upon the basis of universal suffrage. They have, however, no time to lose, and one of the preliminary measures necessary is a peace at almost any price.

LOADED COSTS.

After four years of unprecedented effort we are awakening to the fact that something is amiss in our industrial position. Our faith in Government control has been rudely shaken, and amateur controllers preach economy and industry to a public which becomes daily more extravagant and less industrious. Every cause but the right one is ascribed to the apparently insoluble phenomena. We call it industrial unrest and leave it at that. Some more melodramatic than their fellows hint darkly at enemy influence; but these would save much time in arriving at their objective by substituting British for the German gold which they would have us accept as the cause of industrial disquiet throughout the land, for mis-spent "Bradbury" notes lie close to the root evil of the deplorable situation. It is, indeed, incomprehensible that a nation steeped in the tradition and practice of competitive industry and commerce should, in its hour of need, jettison the experience of centuries, or, having made the fatal blunder, should stick to it for four years of war. True, the percentage-on-cost system of remuneration might have stood the test of six months' anxious war preparation, but the least experienced manufacturer could have foretold the disastrous climax we are now rapidly approaching. Trust is its only basis, and that has been so sadly misplaced that one cannot but remember to what good intentions

have been likened. It is not going too far to say that the percentage-on-cost system has introduced more immorality into our industrial life than any factor which has ever touched it.

Let us examine its workings and see whether it could obtain a moment's lodging in the mind of any but the most Utopian crank. In effect, the Government says "you shall not make more than so much profit on all the work done for the nation at the nation's expense, *per cent. of its cost.*" Thus an almost irresistible premium is placed on extravagance and inefficiency, both as regards brain workers and hand workers, for the quicker and more economically a thing is produced the less profit it bears. To the unscrupulous the road to fortune is well defined; increase the cost—a very simple matter at any time, second nature in these days. Let us be just to the hand-worker and say that he did not start the pernicious system, nor was he the first to pluck its evil fruit. He followed an example which was too obvious to be missed. He knows that high wages mean bigger profits, and accordingly he asks for and receives them. It is patent to him that time is the essence of the contract, not work; accordingly he fiddles away his long hours as best he can.

In normal circumstances higher pay means smaller profits, and is not granted until it is ascertained that the open market can carry the extra charge; while expedition and economy in production are the guiding stars of successful industrial undertakings. As regards the former, experienced employers take no man's time over 50 or 52 hours per week, however keen they may be on expediting output, knowing full well that the latter falls proportionately as these well-tested hours are exceeded. Yet in face of these well-known facts men are gladly paid to-day for 70 to 90 hours per week. Of course both employers and employed benefit under the percentage on cost system, but the output suffers lamentably, and output is the end and object of industry.

And so the pernicious system goes on. It permeates the ranks of brainworkers also, and as there is every inducement for delay and extravagance, these drift, perhaps unconsciously, on to the broad and easy path of indolence and incompetence. Surveyors and examiners, often less skilled than those they supervise, and not infrequently as accessible to corruption, pass work which is poorly planned and tardily produced. To buy well, make well, and sell well is the manufacturer's motto when he battles for business with keen competitors; but in the nation's great need he buys as the market offers, makes as expensively as possible, and sells at a profit which becomes greater as his inefficiency increases. What wonder that thousands of individuals with friends rather than brains, and cheek rather than experience, seek and obtain Government contracts? These might not stand a month in the ranks of competitive manufacturers, but in the snug dugouts of the percentage-on-cost system they stand to lose nothing and gain much. The working man sees and understands these things; they are near to him and the poison enters his soul. He becomes demoralized in turn, and the shopkeeper who sells false finery to his womenfolk sniffs the foul air and joins in the pillage as do others in their turn. Undoubtedly the adoption by the British Government of the percentage-on-cost system of payment for war necessities dragged our industrial population into an immoral morass from which a dozen ministries of reconstruction will not recover it. By deliberately handicapping efficiency and industry it has done us as much national harm as all the arms of Germany.

There are honest masters and men among us, and it is hard that they should suffer in pocket for their good qualities. These found that the percentage-on-cost allowed did not suffice to finance and remunerate their work. Reluctantly the percentage was increased in many cases, but this only stimulated the appetite of the cost-fakers, and they pillage more ruthlessly than before. There is no shame in them and nothing will stop them but the resumption of competitive conditions. These are impossible, we are told; but nothing

is impossible to those who want it. Let us turn to constructive criticism, and offer at least one alternative which occurs to us at the moment (there must be many others known to our industrial leaders). First, we must reverse the present order of things, and put a premium on efficiency; secondly, the premium must be automatic and satisfy all. Each item of manufacture has a value ascertained or ascertainable. The cost of material is known, as is that of plant (technically known as establishment charges). The remainder is labour. Why not pay the ascertained value of the manufactured article and let establishment and labour divide according to their share all they can save? Then the manufacturer who would succeed must buy well and provide good plant and labour, and the latter must hustle that its share may be large. It is a system which has proved satisfactory in practice and it is based on common sense. It makes for expedition and efficiency—two great virtues in industry. Only one great obstacle stands in the way of any such system being voluntarily adopted: dishonest contractors are too well satisfied to bother about changes of any sort, while handworkers, having once learned the simplicity of profiteering, fight shy of fixed value for money in any shape or form, either as individuals or through their unions.

None can estimate the loss which the nation has suffered in time and money by the adoption of this cursed system—33 per cent. of the total cost of our war material would be far too low an estimate—but one cannot contemplate its baneful influence on the people without serious misgiving for the future.

At all events, let the Government see to the matter without delay, and at least make some effort to deal with the root of the industrial cancer, and not tinker with its branches. The revenue from excess profit duty does not hide the real situation from shrewd men of affairs, for that revenue is obtained at a cost out of all proportion to its value. To have the matter put at least upon an honest footing is an obvious duty to employer and employed; to those who have risked death, disease and disfigurement at one shilling and three pence a day for four years; and, perhaps more particularly, to a patient people who save and economise that they may pay these loaded costs.

GERMANIZING BELGIUM.

HOWEVER vague official Germany may be in declaring her intentions about the fate of Belgium, it is clear that she has already divided the country into two parts—Wallonia and Flanders, with a promise of autonomy (*Selfständigkeit*) in each case. Anyone who reads the German papers sees at a glance the high price and potentiality set by the conqueror upon a pawn (*Faustpfand*) which the weightiest leaders of *Deutschland* rate above all the rest, in view of future developments, such as those outlined by General Freytag of the General Staff, in his recent book, "Deductions from The Great War." Bassermann, the National Liberal leader, is quite rabid about this Belgian question. "If we do not retain the Flanders coast," he says, "we have lost the war, and are shut for ever in our 'wet triangle' of Ems—Heligoland—Sylt. We need the coast as a strategic base for maritime operations against England; if it passes from us, Zeebrugge will surely become another Portsmouth, and our chance is gone for ever." The Professoren—von Hamel, Otto Hoetsch, Ernst Zitelmann, of Bonn, and a dozen more, speak and write in the same key; and the control of Antwerp—Napoleon's "pistol pointed at the heart of England"—is declared to be vital as a world-trade port for the Greater Germany of to-morrow. There were petitions from earnest cities on the subject. Erzberger, the Catholic, Schiedemann, the Socialist; the Fatherland Party, the Navy and pan-German Leagues—all are agreed that "we need Belgium; we must have a Flemish March within the black, white and red frontier-posts of our new Empire."

Belgium, these people found, was, after all, no nation, but a mixture of races welded into a State in

the sole interests of England and France. Herr von Krumm, the Social Democratic Deputy for Stuttgart in the Reichstag, points out that before the war Germany's trade with the little kingdom amounted to more than the combined total of Australia, Bulgaria, China, Portugal, Greece and Japan. "Therefore this small, but economically important country must be brought under German influence—the more so, in that rivers of our blood have already flowed to ensure this." But the weightiest witness of all is Grand Admiral von Tirpitz. It is true he has no official position, but on that account he speaks the more freely, and is unquestionably the mouthpiece of both Emperor and Chancellor, as well as that of the military party. "A false solution of the Belgian question," said the torpedo-expert at Munich, "would leave our export trade to die, and make us in future the paid serfs of Anglo-Americanism. It is in Flanders that our real security lies. . . . If our nerve will hold, we can force England at last by our invincible Army, our Fleet and the U-boats, to recognize that Belgium's future must be that of a Protectorate under German sway." Hence the racial wedges driven into the martyred land by methods which have come down from Great Frederick's time. The "bloodless offensive" is everywhere tried; and it would be idle to deny that it has met with some success. This is due to the adhesion of Activists and traitors, such as staff the new University of Ghent; there is also "De Raad van Vlaanderen," of which Professor Tack is President, with a Cabinet of nine Flemish members, who are puppets in German hands.

The Belgian Army is meanwhile tempted in peculiar ways, as General Gillain, the Chief of Staff, has complained. Persuasive letters are thrown into the trenches. Belgian prisoners are taken home to their families for an hour or two, and the meetings are photographed for publication in propaganda newspapers. These are deposited by night in thousands on the barbed wire of the Belgian positions. Real names appear under the portraits; there are printed messages from fathers and mothers, wives and sisters and children, imploring the soldiers to throw down their arms and come home. "After all, we are not so badly treated by these Germans." Literature of the same kind is dropped by aeroplanes, and the psychological danger of the suggestion is considerable, as success in Italy and Russia has proved.

The Grand Committee of the German Reichstag debated this Belgian problem; and a Radical Deputy, with the backing of Dr. Helfferich, declared that "The only way to our goal is the political separation of the Flemings from the Walloons. Therefore the Belgian State must be cut in two, and Flanders economically linked with us." This was long since begun by von Bissing and the military dictator, Falkenhausen, who issued the following Secret Order to the Army of Occupation: "It is the duty of every German, both as a German and as a soldier, to do all in his power to the end that Flanders may turn to Deutschtum, and be made the security of our Empire's western flank." The effort was soon in full blast, with an Antwerp—Constantinople express on the railway to lay stress upon the sweep of German power. Soon after Mr. Brand Whitlock, the American Minister, left Brussels, two hundred pro-German Flemings formed the new Rat von Flandern, with the blessing of Dr. Wallraf, Prussian Minister of the Interior. East and West Flanders, Antwerp, Limburg and the districts of Brussels and Louvain, these composed the new "independent" Flemish State, with Brussels as its capital. Hainault, Luxemburg, Namur and the Nivelles region were to make up Wallonia, or French-speaking Belgium, whose capital was to be Namur.

The voting was a well-arranged farce, but it also provoked serious riots and bloodshed. As a result, all males between the ages of thirteen and sixty were ordered to report for physical examination, with a view to military or civilian service of many grades. The hand behind all this was that of von Tirpitz. There was to be no annexation, he told Dutch enquirers, but only "military guarantees."

"Economically," the father of the German Navy said, "Flanders will lean upon Germany. Our only object is to prevent England from gaining a continental base, and also to free the Flemings from French oppressors, to whom they have always been inimical." In this manner was the international status of Belgium annulled. The country was first despoiled and then declared "free," precisely as Poland was; and eighteen Russian States were later on handled in the same way—not to mention the crushing peace imposed upon Roumania. The University of Ghent was reorganized as a centre of Flemish culture, with a German Rector, assisted by German and Dutch professors and a leaven of Belgian renegades.

Of course, patriotic officials revolted—legislative bodies and the judiciary; the episcopate and civil service, university leaders of Brussels and Louvain, with senators, deputies and mayors of cities. Many of these were interned, or even deported. The process of de-nationalisation, they pointed out, utterly defied Article 43 of The Hague Convention with regard to the populations of invaded territories. "How would history judge us," they put to the tempter, "if we, at a time when our soldiers are still fighting in the trenches, were to accept from the conqueror any gift whatsoever, even though it seemed to make amends for injustice done?" Five hundred lawyers and citizens signed another protest; the loyal Flemings sent in a bold and able caveat about the integrity of Belgium—"whose national Government still exists, and whose Armies are still in the field, as all the Powers recognise." The invader was here plainly taxed with a desire to present the Peace Conference with the accomplished fact of Belgium's break-up, and the tacit assent of both Flemings and Walloons.

But the Mailed Fist gave no sign of reply—except to issue a new mandate confiscating all the electoral machinery in the country. Loyal refugees in Holland denounced the Council of Flanders, and called upon all true patriots to refuse support to so insidious and traitorous an instrument of German policy. Belgian officials who resigned were at once replaced by Activists; these are the people who hooted Cardinal Mercier in Antwerp Cathedral. They have a Press of their own in Flemish and French: *La Belgique* and *Le Bruxellois* are published by the Kommandatur as propaganda papers. It need hardly be said that the Activists are viewed with horror by loyal Belgians; they will surely be lynched if they do not leave the country before their German protectors. As for "De Raad van Vlaanderen," some idea of its make-up may be gained from the fact that the Minister of Industry and Labour—one Verhees—kept a little cigar store in Antwerp, and is now the persuasive voice of Germany in an afflicted land.

Beyond question, this division of the country complicates matters, and it does tend to weaken the war-will of the people. The move has been denounced by King Albert's Government in a Note to the Allied and Neutral Powers, quoting the protocols of Brussels (1874) and of The Hague (1899) relating to the laws and customs of war on land.

"These measures (the Note points out) are in no way justified by any serious difficulty in maintaining the existing institutions. They are simply designed to serve the interests of Germany by making a division between the Belgians." But Flanders remains as the test of German victory in the Great War. Bethmann-Hollweg explained this to Ambassador Gerard in January, 1917. The forts of Liège and Namur were to be retained, and many more besides. Germany was to manage the Belgian railways and all ports; she was also to maintain an Army there, and to have full commercial control because, "We cannot allow Belgium to become an outpost (Vorwerk) of Great Britain." Well might the American envoy ask what sign of sovereignty was to be left for King Albert, save only his palace and a guard of honour. "The sword will decide," is the later German watchword, in view of the American legions now pouring into France. And so it must be.

CONCERNING TEA.

NOT long ago a distinguished actress was at a London railway station seeing her son, an officer in the Flying Corps, off to France, and on the same platform was a poor woman bidding farewell to her husband, an ordinary Tommy, and also in visible grief. As the train moved out of the station the poor woman sidled up to the actress, and, nudging her arm, said, "Come and let us have a cup of tea together." And they went and were comforted by it and the unconventional sympathy of which it was the token.

As regards the female sex, at any rate, tea is the great consoler in grief and trouble, and an eminent physician has truly said that many a poor woman has been saved from suicide by a timely cup of it. Against suicide, tea would seem to be a protective in some special sense, for in former times wherever the slave trade prevailed, in the West Indies, Mauritius, Brazil and Mexico, the Kola tree was introduced and cultivated because its fruit, the principle of which is theine, not only gratified an intense predilection of the negroes, and sustained them under over-work, preventing the sense of fatigue, but warded off a predisposition to epidemic suicidal mania which not infrequently depopulated considerable districts.

It is to its stimulating and restorative action on the central nervous system that tea owes its world-wide popularity. It is not a food, for it neither builds up the tissues nor provides them with potential energy. It does not diminish waste, but rather increases it. It gives a trifling fillip to the heart and dilates the superficial blood vessels, thus imparting a feeling of warmth, but it is not this property that has commended it to universal favour, for other beverages possess it in ampler degree. No, it is its still mysterious influence on the brain and its appendages, quickening their operations, and freeing them from frictional impediments, that has made it the prince of potations and a sovereign remedy in most of the minor, and in many of the major ills that flesh, and especially female flesh, is heir to.

Tea on its westward march made its way into Europe from Java in 1610, and at first advanced with faltering steps, and in the face of strong opposition. In the records of the old East India Company there is a reference to it in 1615 under the name of *chaw*, and after that it gradually became known to the wealthier inhabitants of London, but its price must have greatly restricted its use, for it fetched as much as £10 a pound. In 1660 Pepys wrote in his Diary "I sent for a cup of tea, a China drink of which I had never drank before." It was no doubt from the coffee-house established by Mr. Thomas Garraway in 1657 for the sale of the prepared beverage—the forerunner of the innumerable tea-shops of to-day—that Pepys obtained his cup.

Even after the price of tea had been greatly reduced by the large consignments brought to this country by the East India Company, which long held the monopoly of the trade, prejudice stood in the way of its general acceptance, and it was really feminine influence that ultimately secured its triumph. Patriotic persons condemned tea, as a foreign drink hurtful to national industry. The old-fashioned protested against it as a new-fangled folly; the lusty derided it as an effeminate indulgence, and medical men warned against it as an insidious and injurious poison that caused trembling and shaking of the head and hands, loss of appetite and the vapours.

In Scotland, where tea-drinking now prevails on a more extensive scale than in any other part of the kingdom, it originally encountered vehement resistance. It was first introduced at a treat given at Holyrood House by the Princesses, who accompanied the Duke of York on his visit to Edinburgh in 1679, but notwithstanding this Royal imprimatur, it incurred general censure. It was judged by many reflecting persons, amongst whom was the enlightened Lord President Forbes, to be in many respects an improper

diet, expensive, wasteful of time and calculated to render the population sickly, and to corrupt their morals. And as the habit kept creeping in amongst nearly all ranks of the people there was a vigorous movement to put a check upon it. Towns, parishes, and counties passed resolutions condemnatory of the Chinese leaf, and pointing strongly to the manlier attractions of beer, and groups of enthusiasts entered into compacts to abstain from tea, just as our teetotalers now take pledges to abstain from alcohol.

But against lairds, farmers, ministers and doctors, the ladies had their way, and Scotland, while by no means abandoning strong ale and drams of spirits, or claret either, became generally addicted to tea-bibbing. With quick intuition and delicate sensibility the ladies detected its soothing and exhilarating power and foresaw its social possibilities, and set an example, which all classes soon followed. A knowledge of the mode of preparing tea was not always coincident with the fashion of using it, so the peasantry, when tea reached them, sometimes boiled the leaves and ate them as we now eat spinach. They got the theine, no doubt, but with some not very desirable accompaniments.

The most remarkable fact in the history of the food of man is perhaps the way in which tea and other like drinks have everywhere assumed an ascendancy over him. The addiction to them, as a food custom, cannot be regarded as a random practice adopted to please the palate or gratify an idle appetite. It is evidently the outcome of a profound instinct corresponding to pressing wants of the human economy, and the organized result of a colossal experience piled up by countless millions of men and women through many successive generations. The use of tea and its kindred beverages has now been sufficiently extended and prolonged to justify a judgment as to their effects on national characteristics, and that judgment must be that these effects have been in no sense injurious, but salutary and beneficial. The nations that have indulged in them most freely have been those that have advanced most decisively in the arts and learning. They have become an integral part of civilization, have proved a spur to cerebral nutrition, have mollified the asperities of life, and have on the large scale withdrawn from pernicious indulgences.

As regards tea itself, Great Britain and its English-speaking dependencies have been the great consumers; the rate of consumption of tea per head of population in the United Kingdom having been about seven times that of Germany, while our Antipodean colonists in Australia and New Zealand have consumed even more than the United Kingdom. Next to water, tea is the beverage most widely in use throughout the world, as regards the number of its votaries as well as the total liquid quantity consumed.

No deprivation can come amiss that is needful to win the war, but having regard to the innocent solace it brings in hours of anxiety and distress, from which so many are suffering at this time, it is to be hoped that it may not be found necessary to impose any further restrictions on the sale of tea. There is no scarcity of tea in the producing countries, and the shipping difficulties, whatever they may have been, seem to have been overcome, as the stock of tea in the country in April last was 16,000,000 lbs. larger than it had been at the same period in any of the last six years, in none of which has any dearth been experienced. It is stated that the tea imported and available for distribution is 312,000,000 lbs. per annum, and as on a consuming population of 43 millions, exclusive of the Army and Navy, which obtain their supplies from other sources, the amount required at two ounces per head per week would be 279,500,000 lbs., there should be a surplus of 33,000,000 lbs. and no occasion for rationing. As regards tea we are infinitely better off than the other belligerent and neutral countries. There are good stocks of it in this country and it is coming in regularly.

THE TEMPTATIONS OF A THESPIAN.

OF actresses it is usual to say in condonation of offences taken for granted by a reputable world that they are exposed to considerable temptation. We allow the plea without endorsing the specific application which the apologist has in mind. We are not at all thinking of temptation, as temptation is understood by those who ingenuously believe that the theatrical profession is older and no better than it should be. An actress is no more exposed to that kind of temptation than any other woman who happens to be more than usually attractive and less than usually well-paid. The temptation we have in mind is quite different, and it is one to which actors and actresses are equally prone. It is, moreover, a temptation against which it is a critic's business continually to utter warnings, seeing that the consequences of yielding to it are disastrous for the actors, for the actresses, and for the drama generally. With the private morality of players no critic has any call to concern himself. So long as their virtues (to-day it is usually their virtues) remain private and are not used as a means of advertisement or as a substitute for professional competence, they may safely be left in the somewhat modified obscurity to which it has pleased a pictorial Press to call them. Vices or virtues of temperament or taste or character which directly affect their art are, however, another matter. We have as much right to demand that an actress shall not be vain as to demand that a solicitor shall not be dishonest, or that a surgeon shall not be a drunkard, because vanity in an actress is as fatal to her particular business as dishonesty in a solicitor or intemperance in a surgeon. A solicitor, on the other hand, may be as vain as he pleases, and a surgeon is quite at liberty to deceive his best friend, since vanity is not inconsistent with a brief well-prepared, or dishonesty with a steady knife. Vices become public matter for fair comment only in proportion as they cease to be merely self-regarding.

The temptation we have particularly in mind as above all others injurious to actors and actresses, and as one to which above all others they are prone, is already indicated. The vanity of some of our popular actors and actresses must be known in order to be believed. You realise it best when, in the innocence of your critical heart, you venture to praise them according to their deserts. In praising actors and actresses it is essential to regard the advice of Hamlet, and to "use no man according to his deserts." Praise some of our actors for an intelligent, a competent, an agreeable, an effective rendering of his part, and he will pass the positive adjective, whatever it may be, merely noting that there is a derogatory absence of the superlative. An honest critic is almost as likely to offend by commanding Miss B. for an excellent stroke in the first act or by noticing Mr. C.'s capable handling of a passage in the third act, as by expressing a distaste for the whole performance. Selection pre-supposes reservations, and there must be no reservations. The idol feels an unaccustomed chill in the air, and turns for consolation to the Press photographer and his honied epitomes. It is virtually impossible to praise some of our public favourites without offending them for life.

This does not mean that actors and actresses are necessarily and by nature more conceited than ordinary folk. We must again indicate the temptation. Their opportunities for vanity are so continuous, so inviting, so inescapable. The actor is always a hero; the actress is always a heroine. Circumstances require them to take the utmost care of their effect upon others. They must study their own faces, their figures, their ways of walking and talking. It is the duty of an actress to be beautiful, of an actor to be graceful, of both to watch perpetually what kind of impression they are making. As soon as a player achieves any kind of distinction there ensues an intoxicating publicity, a general conspiracy of deference, admiration, flattery, and solicitation. There must be pictures in the Press and in the studios. The gossips must know all about everything. Impressarios become

respectful, and mere working members of the profession angle for a place in the story. The public assists in the general demoralisation. Consider how difficult it must be for an actor with a witty part, and with the laughter of a large audience in his ears, to realise that the wit is not his own, but another's. Conceive the position of a gallant and enterprising hero of romance who thrills the public nightly with his escapades not to take some credit for the glamour with which an unsophisticated audience invests him. Consider, moreover, not merely the supremacy of the "star" and how bad it is for the star's good sense, but the degrading effect of the star's struggles to secure and to maintain a stellar ascendancy over all competitors. Few players would dream of allowing their understudies to present to the public an individual or even a passably good adaptation of their own rendering of an isolated part. Some of our popular actresses would rise from a bed of death to take a cue upon hearing it said that their poor substitute was making her mark in the rôle. Still less numerous are they, whether actors or actresses, who will tolerate any real independence of style or treatment in those whose duty it is, first and last, to support them. Few players can endure to hear a laugh or any kind of approval from the public evoked by a member of their company if it should in any way diminish the effect of their own exits and entrances.

This is not altogether a discourse in the air. The theatre is facing a serious dramatic crisis at the present moment; and the position of the player is more especially threatened. If the player is not henceforth to be a mere employé in the hands of big theatrical syndicates; if the old idea of a theatre as a place controlled by a practitioner of the theatre is not to be altogether lost sight of, it is essential that we should find successors to carry on the work of actor-managers like Herbert Tree and George Alexander-men who had talents beyond those of the ordinary popular favourite, who could choose a play, select a company, and insist upon a general standard of excellence. For the moment nearly all managers of theatres in London, who also act and produce plays, are women. Miss Gertrude Elliott has just re-opened the St. James's Theatre. Miss Marie Löhr is now established at the Globe; Miss Gladys Cooper is at the Playhouse, Miss Doris Keane at the Lyric. In warning them to resist the player's worst temptation, we are not accusing them of an excessive tendency to fall. We do, however, affirm that actor-management, to survive the competition of theatrical undertakers like Sir Alfred Butt or Messrs. Grossmith and Laurillard, can afford to take no risks. In Miss Gertrude Elliott's play at the St. James's there are three good parts, and Miss Elliott takes them all. The rest is silence. That may be accident, but it has the appearance of more than carelessness in the wife of a distinguished actor who recently toured the whole world with a company in which he was very much the Prince of Denmark. The vanity of a few great actors nearly killed the English theatre not forty years ago. In present circumstances even a moderate attack of this almost inescapable malady of the playhouse may kill the English theatre altogether.

THE ONLY ANSWER.

Peace! What has such as thou to do with peace?
A murderer with the gallows in thy gaze,

Whom panic with a sudden impulse sways
Prompting thee to dispote the innocent fleece
Over thy foul wolf-hide. With infamy's lease

Fast running out, thou seeest at hand the days
When retribution shall terrific blaze,
And, whelmed in ruin, thy hellish dominance cease.

Dry thy false pen and save thy perjured breath!

The sword thou didst adjure, and by the sword
Shalt suffer judgment until every death

And crime thy blood-steeped chronicles record
Be fifty-fold repaid by thee—so saith
Each stern tribunal whom thou hast implored.

W. T.

CORRESPONDENCE.

"THE NATIONAL PARTY" AND THE UNIONIST PARTY.

[The subjoined letters, signed G. H. Preston and Geo. Younger, were issued to all Unionist Members of Parliament and candidates.]

THE NATIONAL PARTY.

22, King Street,

St. James's,

London, S.W. 1

August 30th, 1918.

Sir,—I am directed to draw your attention to the following resolution, which was passed unanimously and with the utmost enthusiasm at the monster demonstration in Hyde Park on Saturday, August 24th, 1918.

Resolution.

This meeting, representative of all sections of His Majesty's subjects in the United Kingdom and the British Dominions beyond the seas, calls upon His Majesty's Government to lose no further time in interning every enemy alien; in denaturalising those naturalised during the war, or in the ten years prior thereto; in immediately removing every enemy alien from Government employment, and generally in taking drastic steps to eradicate all enemy influence throughout the country.

I am further directed to ask you to be so good as to reply with a direct negative or affirmative whether you support this resolution or not, and whether you are prepared to take the necessary action to make the Government understand the views of your constituents and the general public, when Parliament reassembles.

Should no reply be received within ten days from the date of this letter, your silence will be construed as your opposition to the action which public opinion demands, and which is clearly set forth in the above resolution.

The questions I am directed to submit to you are attached hereto, and you are requested to be so good as to fill in your replies and return same duly signed in the enclosed stamped and addressed envelope.

I have the honour to be, Sir,

Your obedient servant,

G. H. PRESTON

(Secretary).

THE NATIONAL UNIONIST ASSOCIATION.

Union Central Office,

1, Sanctuary Buildings,

Gt. Smith Street, S.W. 1.

4th September, 1918.

Dear Sir,—I think it may be useful to append a copy of the reply which I have sent to the letter issued to Members of Parliament and candidates by the "National Party" on the subject of Aliens.

Yours faithfully,

GEO. YOUNGER,

Chairman of the Party Organisation.

"I am in receipt of your letter of the 30th ultimo.

"I regard it as an intrusion on the part of those whom you represent to address to me any kind of political enquiry, and I have no intention of replying either to the present or to any other you may send me. You will, therefore, be good enough to attribute my silence to its proper cause, namely, a determination not to hold any political communication with you; and if you misconstrue my silence as you threaten to do, I shall know how to deal with the matter."

THE NATIONAL PARTY.

22, King Street,

St. James's,

London, S.W. 1.

September 10th, 1918.

Dear Sir,—I am requested by General Page Croft to inform you that in the communication of August 30th, sent from this office with reference to the internment of Enemy Aliens, it should have been stated that a

further great meeting representing many thousands of people assembled at Trafalgar Square on August 24th, to hear the Prime Minister's reply to our deputation, and on hearing his message, passed a unanimous resolution to the effect that every Member of Parliament should be asked to definitely state whether or not he was in favour of the immediate internment of all Enemy Aliens.

Owing to the fact that General Croft, who headed the deputation had to leave town immediately after the meeting, a draft letter, submitted by some one else, was sent out in error in the belief that it represented the considered views of the joint Deputation. This draft was not submitted to the Executive of the National Party and the above mentioned point was not therefore made clear.

General Croft hopes you will accept this correction.

Yours faithfully,

G. H. PRESTON (Secretary).

THE LEAGUE OF NATIONS.

To the Editor of THE SATURDAY REVIEW.

SIR,—I have been reading the recently published Scheme of Organization, prepared by a sub-committee of the League of Nations Society, and am much interested in it.

At the same time, I fail to understand how the machinery advocated in the scheme is to cope with a country which is determined to make war, despite all treaties and moral considerations: in other words, what effect would the "League of Nations Conference," as proposed in the Scheme of Organization, have had upon Germany's "Will to War," had such a conference existed before the outbreak of the present war?

In my humble opinion, war will never become an impossibility, or even an improbability (after the death of the present generation), unless the very weapons of war are placed beyond the reach of any nation. I have formulated a scheme, which I consider might be competent to effect this, and of which I propose to give here only a brief outline.

First, a Council or Congress composed much in the same way as the one advocated in the scheme of the League of Nations Society, i.e., as much as possible representative of all the different nations, would sit at some city in Europe. This Council would have complete control over all questions that might involve any countries in war. Should an international dispute arise, they would act as arbitrators between the countries concerned, and their decision would necessarily be final.

Secondly, to ensure the finality of their decisions, this Council or Congress would have at their disposal a Navy, Army, and Air Force, which would be garrisoned throughout the world, and maintained by compulsory contributions from the different nations, in proportion to the wealth of each nation, or possibly the population.

This world police-force would be voluntarily recruited from the different nations, would be well-paid and chosen from men, whose sense of duty towards the Force would outweigh all purely national considerations. In other words, they would merely be a reproduction on a vast scale of the city police system, a body of men whose sense of duty compels them to take action sometimes even against their own friends.

Thirdly, all countries would undergo a total disarmament, and the League of Nations Council would take over the sole control of all munition-works, fleets, armaments, etc.

It may be seen that constituted thus the Council would possess the most tremendous powers, and therefore the men elected to it would have to be men of exceptional ability and honesty.

It may be argued that this scheme does not provide against the secret arming of a nation for war. I would reply that a well-organized Secret Service, controlled by the League Council would be a sure means of discovering any treachery on the part of any nation, and enabling it to be crushed long before it reached maturity.

Lastly, with regard to the willingness or unwillingness of nations to co-operate in such a scheme, the Allies would certainly welcome any scheme after the war which gave good promise of preventing future wars; and if any enemy country dissented, which is unlikely, it would have to be coerced by our terms of peace.

War cannot be waged without weapons, and I firmly believe that a scheme of this kind, receiving strong support from the world, would be an infallible means of preventing much bloodshed and misery in the future.

I am, sir, etc.,
D. D. A. LOCKHART.

Junior Army and Navy Club.

MONTENEGRO.

To the Editor of THE SATURDAY REVIEW.

SIR,—Now that Mr. Bouritch, a very well-informed Montenegrin, has dealt so faithfully in your columns with Mr. Devine, I would be sorry to dance upon that gentleman's prostrate form. But in his frantic efforts to pour whitewash over King Nikola he says that the "malicious falsehoods" about him can be traced to the pan-Serbs who are filled, he says, with animosity against that resolute monarch because he will not let his country be absorbed as an independent State. I am afraid that Mr. Devine has once more fallen in at the deep end, for these pan-Serbs simply do not exist. (Besides, as I have told him, the King's accusers are his own subjects.) It would be ridiculous if I were to place before Mr. Devine the words of Serbian statesmen or of the celebrated Father Nicholai, who is at present in this country, because if the Croatians, Slavonians, Bosnians, Montenegrins, and other Jugo-Slavs are aware that no party in Serbia harbours the fell design of dominating them, I don't think it is necessary to convince Mr. Devine. But if he has reason to believe that those terrible pan-Serbs wish to make Serbia the Prussia, as he declares, of the new Federation, he really ought to warn the Croatians (who, poor innocents, are at this moment looking forward to the Federation as eagerly as when the admirable Jelachitch was their Ban); he ought not to lose an hour in telling the Slovenes that the pan-Serbs intend to spread darkness over the beautiful dawn which is now in their sky, and which was foreseen by the great Bishop Strossmayer whom I had the privilege of visiting at Djakovo in 1903. And the utter blindness of all these Montenegrins, including the last three Premiers, who are actually welcoming their union with the Balkan Prussians! Them, at any rate, Mr. Devine has warned.

King Nikola, says Mr. Devine, acted "heroically" in support of Serbia, and if I inform him that the King appeared one day at Podgoritza, where he made an eloquent speech, exhorting his people to march on the morrow against the hated Austrian and assuring them that their old King would fire the first shot, whereas he decamped in the night for Scutari (which is in the opposite direction), I am sure that Mr. Devine will say that I am circulating a "malicious falsehood." If I tell him that when General Pevanovich, in command of one of the Lovtchen positions, refused to obey Prince Peter's telephonic order to evacuate it, because there was no military need to do so, Mr. Devine will talk of "malicious falsehoods." Perhaps some day the General will show him the written order which he insisted on having. This is one of the very numerous incidents of recent Montenegrin history which—perhaps owing to a ruthless pan-Serbian printer—we do not find in our specialist's book. As he, with touching loyalty, says that even a longer list of charges against the King would afford no ground for doubting the royal *bona fides*, I feel certain he would decline to read a translation of the seventy-five charges brought by Tomo Orohovats in an open letter and printed in New York—a few copies of that extraordinary document have reached this country. Orohovats was the first man who set up as a teacher in Montenegro and when he had a difference of opinion with the King his life was saved by

the King's cousin, who rescued him in the night from the soldiers who had been sent to kill him. Mr. Devine may therefore urge that Orohovats is prejudiced against the King, for which reason the seventy-five charges are all absurd. But perhaps Mr. Devine does not know what the King did for three days after he received the pamphlet at Neuilly.

Mr. Devine is quite unable to persuade the Montenegrin people to honour and obey their discredited King; he therefore turns to the British public and their sense of justice. The British public will think it odd that the King should be strenuously opposed by his three ex-Premiers, whom, of course, he had himself selected. With regard to one of them, Mr. Minshkovitch, we may take a passage from an article on the Jugo-Slav question by the eminent French publicist, Monsieur Gauvain, in the *Revue de Paris* (March, 1917): "The official courtesies extended by the French Government to Nicholas I. and his family should not deceive the public," says M. Gauvain. "Whoever wants to know the true sentiments of the Montenegrins towards their Sovereign should seek them in the letter of resignation addressed to the King, on May 20th, 1916, by Mr. Lazar Minshkovitch, then Prime Minister of Montenegro. The terms are bitter and hard. Nicholas I. has forfeited, during the latter part of his life, all the prestige he had gained during the former." M. Gauvain shows that the Montenegrin dynasty constitutes the sole obstacle to a union of the country with Serbia and the rest of the Jugo-Slav lands. The Montenegrins, however, he says, disapprove of this separatist action, and have decided to cast in their lot with their brothers of Serbia. Will Mr. Devine say that the *Revue de Paris* is an organ that publishes "malicious falsehoods?" And what will he say with regard to the French Censor? And as the King drives past the office of the *Revue de Paris* he will be thinking, rather wistfully, of that brave afternoon at Nicksitch in Montenegro, when he looked on while his friends and courtiers destroyed the plant and building of an independent weekly paper.

The cause of King Nikola is a lost cause, however vehemently he and his few adherents may struggle in their paper, the "Srpski List," which is printed in Genoa, and which the Austrians circulate in the Jugo-Slav countries! It is a cause which the advocacy of Mr. Devine has, to put it mildly, not assisted. The crudeness of his methods makes him such an easy prey; he tells us, for example, that Radovic, the ex-Premier, "received some consideration as the price of his defection!" The plain fact is that the King can find so few Montenegrins of any position to stand by him that he pays fancy salaries; even if the cost of living at Neuilly is higher than at Cettinje, it is remarkable that a Minister who received 6-7,000 frs. a year should now receive 30-36,000; while the Under-Secretary of Public Works—I don't know whether he administers the royal motor-car—is not at all shabbily treated.

And I hope that—whatever one may have to say against the Royal House of Montenegro—the Montenegrin Red Cross Fund (11, Victoria Street), will be most liberally supported. One shudders to think of the state of the captive Montenegrins in Austria.

I am, sir, yours faithfully,
HENRY BAERLEIN.

30, St. James's Square, S.W. 1.

SERBIA AND AUSTRIA.

To the Editor of THE SATURDAY REVIEW.

SIR,—Will you kindly allow me to make a few remarks with reference to the assertion of Mr. H. T. Gibb:

1. On the 14th April, 1893, the late King Alexander, who had not attained his majority at that time and was still under the Regency, invited his Ministers and Regents to a dinner, and on that evening he unexpectedly seized the Royal Power, in the presence of a company of armed Cadets who were brought, by his order, into the Royal Palace, thus establishing a precedent for the interference of the Army in the internal poli-

ties, the consequences of which were disastrous to his life. The King in the first place handed over to the new Prime Minister, Dr. Dokitch, the Secret Convention with Austria-Hungary. Meanwhile, the Serbian nation, who fought alone for their own liberty in the Revolutions and Insurrections from 1804-1816, throwing off the hideous yoke of Turkish tyranny, continued afterwards a bitter struggle for their civil rights and liberty. At the same time the Serbian nation had a pronounced animosity towards all the Secret Conventions and Treaties. Because of these facts, the Constitution of 1888 was considered as a great victory of the Serbian democracy over the old autocracy of the Obrenovitch Dynasty. A desperate struggle was fought by the Serbian democracy in acquiring the two articles of the new Constitution, viz: 190 and 200. Both of these Articles deprived a Serbian ruler of his right to conclude a Secret Treaty, and expressly forbade the admittance of a foreign army into the Serbian territory, or the using of the Serbian Army for purposes other than those of national defence. That a stern opposition to both of these articles was offered by the Austrian Government is obvious.

Pending his journey to Paris in 1897, King Alexander declared to Mr. Izvolsky that he had no intention of changing the Radical Administration of Mr. Simitch. But as soon as he returned from Paris he dissolved Mr. Simitch's Cabinet and entrusted the formation of the new Government to Dr. Vladan Georgevitch, who was at this time a notorious Austrophil and reactionary. Moreover, he arbitrarily created a new dignity in the State, placing his father, ex-King Milan, as the Supreme Head of the Active Army. It is interesting to note his filial devotion to his father whom he, a little while after, declared to be an outlaw, because he was opposed to his marriage with Draga Mashin, and empowered every soldier, or police agent, to kill him on the spot, should he dare to put his foot on Serbian soil.

Those who are interested and wish to know something more about these exciting times, may find valuable material in an article entitled, "The Secret Treaty between Serbia and Austria-Hungary," as published in the *Fortnightly Review* of 1909, pages 830-849.

I particularly point out that this Secret Convention was concluded in 1881 by King Milan and that the same Convention was renewed in 1895 during the reign of King Alexander. It is an important fact that this Secret Convention never was divulged, not even to the several Foreign Ministers, and its contents were known only to the King himself for some considerable period. It is clear, therefore, to-day why the Austro-Hungarian Government, for a whole year after 1903, adopted an expectant and doubtful attitude towards King Peter Karageorgevitch and the new regime, both of which were a mystery with respect to the said Secret Convention; clearly enough the Viennese Press displayed for a time quite a benevolent attitude, awaiting the adoption of this new Secret Treaty by the new King. Moreover, when this Convention was energetically refused by King Peter, then a series of political reprisals were undertaken by the Vienna Government.

First the Customs War, then the political and economical reprisals, the famous Dr. Friedjung's process, the annexation of Bosnia and Herzegovina—all these visible and known reprisals, and many others not yet divulged, were undertaken with the object of acquiring by force those Concessions and benefits, which hitherto were willingly given by the Obrenovitch.

2. The majority of the books and sensational pamphlets, including novels, which were written for the amusement of the public, have never brought to light the real facts and cases which produced this great tragedy of Konak of Belgrade in 1903. Our enemies, the Austrians, were clever enough to exploit this tragedy for their own and their German masters' purposes. Through the secret channels and the Vienna and Berlin Press, Serbia and the Serbian nation were represented as a "black spot" in Europe. Meanwhile, Serbia raised herself after this tragedy, economically and politically; she became a formidable

barrier to the German "Drang nach Osten" and her democracy and parliamentarism were the greatest guarantee for her peaceful development and the stability of the Balkans.

Yours truly,

YOVAN K. TANOVITCH.

46, Stanhope Gardens, S.W. 7.

ARTS AND CRAFTS.

To the Editor of THE SATURDAY REVIEW.

SIR,—Mr. Ogilvy's denial of my statement, "English craftsmen are the finest in the world," surprised me, but I agree with him that the general level of workmanship in the countries he mentions—and in some others—is much higher than ours. The greater part, though, does not rise above mere cleverness in technique, and the design tends to degenerate in consequence.

My point is that during the last twenty-five years a small, but ever-growing body of British craftsmen has reached a standard of live workmanship and design that shows a growth unequalled in the modern world. And the pity is the public does not know it.

Your obedient servant,

SIDNEY CAULFIELD.

A PARADISE OF SOCIALISM.

To the Editor of THE SATURDAY REVIEW.

SIR,—Mr. Borel's citation of a poet and two novelists hardly meets "Individualist's" criticism, especially in view of the fact that Bâle, the most venerable University in Switzerland, boasts of Erasmus, Oecolampadius and Reuchlin. But what I want to specially point out is that "Individualist's" description of modern Switzerland was anticipated by an acute Italian observer, thirty years ago. In 1887 Ruggiero Bonghi visited the annual meeting of the British Association at Manchester. He published an interesting account of his journey in a little book "In Viaggio." His Swiss diligence took seven hours for a distance which should have been covered in five hours. He comments on this waste of time thus:—

" Bisogna che i viaggiatori abbiano almeno la tentazione di mangiare e bere a quanti più alberghi e osterie è possibile. Giacchè il governo della Svizzera è una democrazia assoluta, temperata dagli albergatori e dagli osti."

D. P. BUCKLE.

Old Rectory Club, Manchester.

THE COAL ORDER.

To the Editor of THE SATURDAY REVIEW.

SIR,—Your sympathy with Londoners who are away from home is by no means misplaced.

More than a fortnight ago I sent my application, F.H.F. 2, to my coal merchant and I have not yet been able to ascertain whether it has been received by him or the Fuel Overseer. I do not know who fills that important post for my district.

I wrote to my bookseller for a copy of the Order itself but was told it was "out of print" and reprinting.

Yours obediently,

A. J. ALLEN.

Tintagel, Cornwall.

COLOUR IN SEED.

To the Editor of THE SATURDAY REVIEW.

SIR,—Your correspondent's glimpse through the open doors of a seedman's shop suggests a most interesting subject for students of nature to explore, viz., Colour in Seeds. We are all familiar with colour in flowers from childhood, but few have continued their investigations beyond the flower to the fruit stage, which we call seed. Here nature unfolds for us a perfect vista of delight if we arm ourselves with a

microscope or magnifying glass and with it examine the colouring of well-known seeds.

Let us begin with the *Trefolium* family—the clovers that flourish in our pastures—and we shall find most brilliantly portrayed every colour in the spectrum and all the gradations of the rainbow. The ripened seeds of Red Clover give us violet and indigo; Alsike or hybrid Clover, a rich emerald green; Trefoil (*Medicago Lapulina*) yellow, and White Clover, orange shading to red. Even some of the weed seeds, which "Dora" has recently placed under the ban of the Testing of Seeds Order, have a beauty—albeit somewhat sinister—of their own. The Dock seed with its triangular sides glistening like burnished copper, the dull brown of the Buttercup, the shiny blue-black of the Forget-me-not, or the olive brown of the Stone-crop are instances.

How interesting is the group of oleaginous seeds. Rapeseed, or as it is sometimes called "Coleseed," perfectly black; Turnip seed a drab shade of blue; Brown Mustard, the seed of which gives the pungent flavour to the condiment, that small seed which produced a "tree in which the birds of the air can lodge," a chocolate brown, and White Mustard, a rich guinea-gold colour. Then again there are the legumes. We are all familiar with the "crushed strawberry" colour of the Scarlet Runner Bean with its interesting mottled markings. Let us also examine the yellow brown Tic or Pigeon Bean, and if it is true to stock the mottling will depict a perfect oakleaf. There is also the rich brown of the Maple or Partridge Pea, and the sage green, with a suspicion of red brown, of the Dun Pea. The Vetch is a dark brownish black, as is the seed of Sainfoin, but the latter hides itself under a spiky coat of armour of a dull brown. This well-known plant covers the chalky uplands with its beautiful pink flowers in June and July, and is doubly interesting from the fact that tradition says that the manger cradle of Bethlehem was lined with it on the first Christmas Day, hence its name of Saint Foin or Holy Hay.

I have by no means exhausted the topic, and if some Member of the Royal Academy who has hitherto made fruit his speciality has tired of his subject, I commend to his notice a few grains of Red Clover Seed from Chile or of Alsike from Canada as two of the most brilliant samples of the perfect artistry of Colour in Seeds.

Yours truly,
ALBERT E. K. WHERRY.

"Qu'Appelle," Bourne.

DAMN OR DAM?

To the Editor of THE SATURDAY REVIEW.

SIR.—THE SATURDAY REVIEW rarely makes a mistake but on page 810 of September 7th, you say "that its political opinion is not worth we were going to say a damn, but we will substitute, a dime." *Damn* should be *dam*, a small Indian coin, the fortieth of a rupee.

Yours truly,
AN OLD READER OF 'THE SATURDAY.'

[When we say damn, we mean damn.—ED. S.R.]

THE VOGUE OF SPIRITUALISM.

To the Editor of THE SATURDAY REVIEW.

SIR.—The extent to which spiritualists and psychists have succeeded in imposing their views upon the periodical press is illustrated by the fact that in *The Times Literary Supplement* of September 12, certain books about "telepathy," "telergy," and other "psychic phenomena" are classified under the head of Science! This is taking people at their own valuation, with a vengeance!

I am, sir, yours faithfully,
X. Y. Z.

September 16th, 1918.

[Owing to want of space we are compelled to hold over a quantity of correspondence.—ED. S.R.]

REVIEWS.

THE REGENT ORLEANS.

The Memoirs of the Duke de Saint Simon. Translated by Francis Arkwater, Vols. V. and VI. Stanley Paul and Co. 12s. 6d. net.

THESE are the concluding volumes of the Duke de Saint Simon's Memoirs of the French Court, and cover the period from the death of Louis XIV. and the Peace of Utrecht (1714) to the coronation of Louis XV. in 1722 and the death of the Duke of Orleans in the following year. Those who have read the previous volumes do not need to be told that Mr. Arkwright's translation is idiomatic and un-Frenchified English, though we cannot say whether it is close or wide, not having had the opportunity of comparing it with the original. The Duke as a chronicler of his time has a host of rivals in his language and ours: Sully, Pepys, Evelyn, Walpole, Creevey, Greville. Amongst so many competitors we do not attempt to award the palm: but for the short history of the Orleans Regency we do not know a more intimate and authentic record than the volumes before us. Saint Simon was the sincere personal friend and trusted adviser of the Duke of Orleans, whose faults he gently blames, and to whose good qualities he renders a justice denied by nearly all historians. It would have been well if the Regent had followed his candid friend's advice on more than one important occasion. Although his rank as duke and peer of France was an obsession of Saint Simon's, and although the object of his life was the reduction of the Duke du Maine (the son of Madame de Montespan) to the status of an ordinary peer, yet he was right in holding that the position of the bastards as royal dukes and possible successors to the throne was a real danger to France. The Duke du Maine and his brother the Count de Toulouse, were neither princes of the blood nor peers, but held an intermediary station, which Saint Simon strongly urged the Duke of Orleans as Regent to abolish immediately after the death of Louis XIV. He also advised the Regent to summon the States-General at once to consider the finances, which the Grand Monarch had left in a ruinous condition. Had the Duke of Orleans done so, the French Revolution, which was the consequence of unjust taxation, might have been averted. But the golden hour passed: the Regent's courage failed him, and he had to bear the unpopularity of the late King's reckless extravagance.

A good deal of the fifth volume is devoted to the closing years of Louis XIV.'s reign, and a summary of his campaigns, his government, and his character. We advise those who may retain any illusions on the subject of the Grand Monarch, or who have been content to take their history from Voltaire or Macaulay, to correct their views at once by reading the Duke de Saint Simon's pages. What a pitiful, heartless, contemptible wretch the fourteenth Louis was! A champion of the Church, who persecuted Protestants and Jansenists, and yet was too ignorant to read the Bible! A glorious conqueror, who drove to his war in Flanders as to a picnic, surrounded by cooks and concubines, and then drove home to Versailles or Marly, when he was bored or frightened! All the successes of the earlier part of his reign were due to others, to Condé, Turenne, Vauban, and Luxembourg; the brief period of commercial prosperity to Colbert, whose policy was ruined by the women and Louvois. When these great men died, Louis shrank to his natural littleness and his wars and government went to ruin. When he was a young man, some fortune-teller prophesied that he would end by marrying an old prostitute and being ruled by her. This prophecy so amused Louis that he laughed till he made himself ill: yet it was exactly what came to pass. He was forty-two when he married Madame de Maintenon, and she was forty-five. She had been, first the mistress and then the wife of Scarron, the hunchback satirist, and after his death she was "kept" by all Paris. She then became governess-companion to Madame de Montespan's children, and actually ousted her mistress from the King's bed. And it was this elderly, battered,

"common shore" that ruled the Grand Monarch and France (and a large part of Europe) for thirty-five years! Her influence over Louis seems to have been similar to that of Caroline of Anspach over George II., that is, unavowed, and unconsciously submitted to. In 1717, when the Czar Peter visited Paris, "he expressed a wish to see Madame de Maintenon, who immediately went to bed with her curtains drawn, only one being left half-drawn. The Czar was shown into her room, where he immediately threw back the curtains of the windows, and then the bed-curtains. He looked hard at Madame de Maintenon, taking his time about it, he said not a single word, nor did she speak to him. Then, without any attempt at a bow, he went his way. I heard afterwards that Madame de Maintenon was very much astonished and mortified by being treated in this way; but the days of the late King were over." The Duke writes of Madame Maintenon as "a poisonous old witch," and he might more appropriately have used the first consonant of the alphabet. The Grand Monarch was the slave of the two most mischievous orders of human beings: priests and prostitutes.

The Regency of the Duke of Orleans, who was the nephew of Louis XIV., and the uncle of Louis XV., covered seven years (1715-1722) which could not have been otherwise than inglorious. They followed the disastrous war of the Spanish Succession and the Treaty of Utrecht. Fortunately the Regent was wise enough to see that friendship with England was the best French interest, as a guarantee of peace. The Duke de Saint Simon was against the English alliance; naturally, as a Catholic and a Legitimist, he was in favour of the son of James II. whom Louis XIV. had proclaimed as James III. The Regent cared nothing for Catholicism, and still less for the Old Pretender. The one argument which appealed to him was used by Lord Stair, the English Ambassador, namely: that "two usurpers should stand by one another," a curious description of the Regent and George I. Unfortunately, neither the Regent nor anyone available in the Court or the Parliament was capable of rescuing the finances from the chaos in which they had been left by Louis XIV. and his priests and generals, and bastards, and mistresses. It is, of course, at such a time that a financial adventurer like Law finds his opportunity. The Duke de Saint Simon, with modesty and good sense, always declared that he knew nothing about finance, and didn't pretend to understand Law's system, nor, he suspects shrewdly enough, did anyone else. The student who wishes to know about Law's Bank must go elsewhere than to these volumes for information, for all he will learn here is that there was an indiscriminate issue of paper money and a disappearance of specie; that a great many people grew suddenly rich and a great many others were ruined; and that when the crash came Law, with his son, fled to Venice, where he ended his days in poverty, but honestly, according to the Duke. Law and his bank and his Mississippi company were the French counterpart of the South Sea mania in England; and it is one of the most curious facts in history that this outburst of insane speculation should have occurred simultaneously in two countries, which in those days were practically isolated from one another. Law was a Scotchman—the French called him Lass—, and according to the Duke he was neither greedy nor dishonest, but lived out of his time, and made calculations, which were correct enough, in vacuum, but not in the France of the eighteenth century. His knowledge of the combinations of cards were such that he won enormously at play, and, though his French was mixed with English and badly pronounced, he was so clear-headed that his meaning could never be mistaken. The other adventurer who brought discredit on the Regency was Dubois, first a lay Abbé, then an Archbishop, finally a Cardinal, a miracle of avarice, vice, and vulgarity, according to Saint Simon. The only advantage that he had over Mazarin was that he was a Frenchman. The Duke of Orleans had many good qualities; he was no bigot; he was sincerely devoted to France;

he had not the least ambition to be King; he was magnanimous towards enemies; and his natural abilities for speaking clearly and gracefully in public, and for taking a broad and statesman-like view of politics, were great. He took no dinner, but a little chocolate about midday, when the rest of the world dined. But after five o'clock, when his business was over, his day began, generally with a visit to his box at the Opera, which he could reach from the Palais Royal by a private passage, always followed by his suppers. The suppers and the company he kept, the *roués*, as they were called, and his mistresses, ruined him, and killed him by a stroke of apoplexy a year after Louis XV. attained his majority in 1722. Dubois obtained his ascendancy over the Duke of Orleans when he was a boy, and confirmed it by encouraging him in debauchery. Dubois was Secretary of State for two years, and Cardinal and Prime Minister for two years, when the surgeon's knife delivered France from this scoundrel at the age of 66. Perhaps the strongest evidence of his power is the fact that the English Government found it worth while to pay him a pension of £40,000 a year, no inconsiderable part of his income of £60,000. He made large sums out of Law's shares, just as Walpole and Marlborough did out of South Sea stock. His character is summed up by Saint Simon. "There have been many instances of persons, some of them of low birth, attaining to prodigious heights of fortune and distinction; but surely none of them was so absolutely devoid of talent of any sort as Cardinal Dubois, if we except a certain genius for low and obscure intrigue. He was a man of very moderate capacity; his acquired knowledge was nothing extraordinary; his exterior was vulgar, and he looked like a ferret; the depravity of his morals was such as to render any attempt at concealment hopeless, and he was liable to fits of fury which resembled the outbursts of a maniac. . . When in one of his furious fits of temper he would sometimes run round and round the room on the chairs and tables, without once setting foot to the ground; the Duke of Orleans told me himself that he had seen him do it on more than one occasion." For accounts of the celebrated *Lit de Justice*, at which the bastard Duke du Maine was stripped of his fictitious prerogative as a prince of the blood, and of the Duke de Saint Simon's embassy to Madrid on the affair of the Spanish marriages, we must refer the reader to these fascinating Memoirs, brimful of personal details, with the caution that a man is not always the best judge of his contemporaries; that autopsy is only invaluable in a criminal trial; and that in history the obscurest epoch is to-day.

MR. FAUSSET'S POEMS.

The Lady Alcuin. By Hugh L. A. Fausset. Heffer. 4s. net.

IT is strange how persistent is the renewal in English poetry of that myth where, a mortal passing through silent trees, rifted with sunlight and pointed green, loves or is loved by a woodland spirit. It is, in essence, but a single mood, the desire of untrammelled freedom, a solitude undisturbed by active thought, yet, so powerful is the call of it that in this one beautiful form, it has clung in ivy tendrils about the very roots of expression, threatening to quench, to choke out life.

In "The Lady Alcuin" the spirit of the legend dominates not only the opening poem of the volume but the entire book. This time it is not the woodland that captures startled human eyes to wildness for an hour to abandon them with morning, but the mortal praying to be made one with the forest again, to be quit of mortaliy, to become impalpable as rose-dust, as visionary as pollen borne under bee-brown wings.

"October evenings wrapped in rain,
Go beating on the window pane;
'Twas even at this time of year
That after many a secret tear
The Lady Alcuin had sworn
That ere the children of the dawn
Came running up the eastern sky,
The Lady Alcuin should die.

Leaving the feast, subdued because of her sadness, the Lady Alcuin, solitary in her room, strips the day from her, covers her loveliness with forest green. To nerve her into lifting the poison near her hand she calls to memory all the sweetness of a woodland hour when she had courted the wood god :

" For, woe is me, she was on fire
With lovely ardours of desire
For him, who, with his clustered curls,
Dances where the wood unfurls
Dainty motions of light feet
Fluting music, and the fleet
Laughter of the God of trees,
Spirit of forest revelries."

Yet all her magic meeting but his derision, she had sworn before the stars slept

" To wed her lightly scented breath
To the dank dolorousness of death."

Sleep and pain strive together for mastery, she stumbles to the window, opens it, and with the autumn wind the forest sprite, " still dripping with the midnight's gloom," steps to her side, calls her to him, leads her away to the woodland that has filled her longing, to his love, the soft moss, the warmth of fallen leaves.

It is the spirit of this myth that is the spirit of the volume. In fancy the poet may grant the Lady Alcuin her desire, but his songs are full of his own wish to gain solitude, to lie apart on the warm grass away from the noises of an alien world. " I love all gentle things so much," he cries, eager to banish speech,

" And laugh about the fields with birds
While fluttering thoughts would be to us
As rich as they are tremulous."

But he may not put life quite from him, though his eyes see it as too rough for loveliness, and it is just this limitation to his vision which makes his poetry, for all its elusiveness, a little thin. Just as escape seems possible, he has to look, to shrink into the shelter of dreams, alarmed by a jarring ugliness, an apparent confusion he has no will to reconcile with beauty. Perhaps an unconscious hint that he is aware of the necessity of some reconciliation has crept into his poem 'Eros and Psyche,' which begins :

" I think thou wast right womanly and wise
In thine outrageous perfidy—thy choice
The basest justice to thy aching eyes—"

the poem is too long to quote and it is unjust to spoil it by omitting lines, but he is always happiest when with the earth, as in this poem 'Evensong' :

" Gently, then, stoop with a murmur
And smooth the creases of twilight.
Now the dim candles above you
Flicker their pleasure.

Now are the altars of passion
Fed with the perfumes of flowers.
Softly the voices of evening
Sing a quiet measure.

Ah ! There'd be a beauty in dying
If one could pass like the day-time,
Rich in a gladness of colour
And the night's treasure."

In an introduction which proclaims his belief that beauty alone should be the root of the world, Mr. Fausset states that these verses are but a preparation for the poetry he hopes to write in the future. His thought will grow, his inspiration will increase, but few early poems contain so little that is immature, such a power of fitting words to dream as does this volume. Certainly much of the vision he so wistfully desires is his. Only let him be not so afraid of life. Even in a wood there are brambles, and the brambles are beautiful. If he will remember this, both 'The Lady Alcuin' and the volumes to be written will accomplish his hope " that though this poetry may not add to the knowledge of men, it may add to their happiness."

QUEEN VICTORIA'S NAVY.

Some Recollections. By Admiral Sir Cyprian Bridge. London: Murray. 12s. net.

THERE are probably, Sir Cyprian Bridge remarks, not many people now left whose recollections of conditions in the Navy go back more than sixty years. His book, considered from this point of view, is of great interest. Sir Cyprian's recollections are concerned mainly with the years 1853 to 1883. In the former year, a boy of fourteen, he entered the Navy as a cadet: in the latter year he was cruising in the Western Pacific in command of the 'Espiegle,' described as " a full-rigged barque, only a moderately fast sailer, and a fairly handy ship under sail."

Three years later he was appointed to the command of the 'Colossus,' of which the following particulars are given: " She was a sailless battleship. The change to a ship of that kind from the 'Espiegle,' which had cruised many thousands of miles under canvas, and beaten into harbours, and in which making and shortening sail and reefing topsails were operations of frequent occurrence, was very great. The 'Colossus' was in several ways a rather remarkable craft. She was the first ship in commission which was armed with 12-inch breech-loading guns. She was the first ship in the Navy to be lighted through with the electric light; in other ships in which this light had been installed, it was confined to particular parts." In these two ships we have thus the epitomised history of the passage of the British Navy from its eighteenth century to its modern conditions. But with all these changes the personnel of the British Navy remained the same in character, temper, devotion to duty, and courage. We cannot leave the 'Colossus' without mentioning that it was on her, while Sir Cyprian was in command, that Lord Jellicoe, then the gunnery lieutenant, leaped overboard at Spithead while an unusually heavy gale was blowing, and a very strong tide was running, and saved a bluejacket who had fallen overboard from a boat. " Lieutenant Jellicoe smiling received my congratulations and commendation, and walked quickly to his cabin to put on dry clothes."

About 1869 the continuous service system had been all but universally accepted by the seamen, and with it many of the old sea-novelists' episodes disappeared. The Navy was being turned into the highly centralised institution which it became by the end of the nineteenth century. Service in blue water diminished, and service in harbour or on shore increased. In the third quarter of the nineteenth century most officers and men were at sea from two hundred and fifty to three hundred days in the year. In the last quarter the proportions were reversed, and there were not many officers and men who had been in blue water ninety days in a year. In some of the voyages Sir Cyprian describes he was at times out of sight of land continuously for two or three months.

On two points he, in one case, confirms a general opinion, viz., as to the improvement in the drinking habits of the Navy; in the other case he quite surprisingly combats what he alleges to be a very mistaken popular opinion in regard to the education of the ordinary sailor. Many interesting details are given as to the dress, manners, and customs of the British sailor, who always remains, whatever be his exterior, the same fine human character; but one hardly expected to be told that in the whole of Sir Cyprian Bridge's service he knew only two blue-jackets who could not read. " The present very general belief that sixty or seventy years ago the poorer classes in England were illiterate, is an absurd exaggeration. The majority of the men in the Navy came from the very places where education might have been expected to have least extension, viz., small and ancient seaport towns. Yet practically every one of them could read and write."

And while we are on popular errors, let us note that when we sing " a sheer hulk lies poor Tom Bowling " we are making ourselves ridiculous, not as vocalists, maybe, but to sailors. What we ought to sing is,

"a mere hulk." A sheer hulk was a very serviceable hulk indeed, in which the sheers were erected by means of which the ship's masts were put in place; and it was known at Devonport, in consequence, as "the sheer hulk." The poet of those days should have known better, but we cannot fairly be reproached for ignorance at this date.

As regards his own education, Sir Cyprian raises a question which is rather puzzling. At fourteen years of age he was on board ship. He was to have gone to Charterhouse, if he had not received rather unexpectedly his nomination as cadet. From about twelve to fourteen he was at a school where were other boys who, with himself, became distinguished in after life; but two years is no long time for a boy of that age to be put through three or four books of the 'Iliad'; yet Sir Cyprian remarks, in his extremely interesting account of the South Sea Islands, that many of the customs he observed there reminded him of what he had read in the three books of the 'Iliad' through which he had been painfully taken. He must have made extraordinary progress, and yet, he says, he disliked the school, and disliked the learning, because he thought he was being cheated of going to sea. The examination for his cadetship, not competitive, was not unduly severe; a passage in dictation, and an arithmetic paper in which one of the demands was that the candidate should write seven millions in figures. Nor are we told how his professional training, his mathematics, and so on, was given on board his ship. But, as he remarks, there was plenty of time for reading, and everybody read a good deal in those days of long voyages, so that perhaps Homer was read again with more zest than in the schooltime.

Certain facts mentioned in these 'Recollections' might lead one to infer that the Admiralty of Queen Victoria was content to keep up with the age of Queen Elizabeth. In reality it was ahead of all the others. It introduced lime juice for scurvy long before other Navies had it. The British bluejacket was the best fed of any except the American; and he had preserved meat before any of the others. Ships of iron were in the British Navy before they were known in other Navies, or in the Merchant Service; and likewise ships of great size were built of steel. It had the "compound" steam engine first, and the double screw.

As midshipman, lieutenant, captain, or admiral and commander-in-chief, Sir Cyprian Bridge was familiar with most places in the Southern and Western Pacific islands: Australia, New Zealand, the Sandwich Islands, Fiji Islands, Samoa, New Guinea, and many others, as well as with the Pacific Coast of America, China and Japan. As in the case of the Navy, he recalls conditions which, like those of the Navy, have been changing during the sixty years, the old rapidly passing away and being replaced by new. He has much to tell of the strange mixture of semi-civilization and sheer barbarism in the South Seas, of the extraordinary varieties of race, customs, and language, and of tribal government. His enthusiasm kindles when he recalls Australia and New Zealand as he first saw them, their scenery, their beautiful bays, and tells of their now splendid towns and institutions. "How little," he says, "we really know about the Australian Dominions, those great, flourishing, and opulent States which men of British race have either created from the beginning in a very short time, or have immensely advanced within the duration of a single man's life. The real state of things in these great Dominions must be borne in mind whenever we discuss conditions in the South Sea Islands. Those

island are of no more indifference to King George's subjects in his great Dominions at the Antipodes than are the islands in the Caribbean Sea to the citizens of the United States."

With this hint to the future Peace Congress we finish, and not without admiration for the vigour of the writer, who, at seventy-seven, after sitting on the Mesopotamian Inquiry, could resume and finish these 'Recollections.'

THRIFT, THRIFT!

Wealth from Waste. By Henry J. Spooner. Routledge. 7s. 6d. net.

PROFESSOR SPOONER has hit upon the happy and ingenious idea of compiling an encyclopaedic survey of the countless ways in which we waste our national and private substance. Individually and nationally we are the greatest prodigals on the face of the earth; and our genius for waste ranges from our coal-fields, the very foundation of all the prosperity we have enjoyed and may enjoy, to the domestic kitchen, whether it be the kitchen of the workman, the middle-class man, or the plutocrat. We have taken pride in our waste, and have imagined it a cachet of superiority over the thrifty foreigner. It is possible that even still, Professor Spooner's remark that the Germans waste nothing, absolutely nothing, may be understood as an additional censure on their character and conduct.

When Zola was in England some years ago, he founded an opinion of the character of the English on the hairpins in the streets. In this fourth year of the war, when wire articles are at famine prices, one may keep oneself well supplied for months in paper fasteners picked up casually in the streets. To these particular instances we may add the general evidence of an Archdeacon, that he had travelled all over the world, and had never known any nation or people so wilfully wasteful as the English.

Yet extravagance is a species of intellectual and moral slipshod, whether in the rich or the poor man, and is a defect of character and temperament. Most English people confound economy with meanness, and competition in extravagance is mistaken for rivalry in generosity. It is, perhaps, a natural mistake in a country like ours, where the general prosperity has been so great that carefulness looked like penuriousness. But we shall grasp the proper distinction as things are shaping; and the times that now are, and are coming, will set a new standard. The man who begs a match may yet be more severely disapproved than the man who refuses it, and who once would have been regarded as a curmudgeon.

The political economists never succeeded in popularising the doctrine that extravagant spending is not good for trade, and does not increase employment. Capital and capitalists, said the economists, come by saving; But the popular idea has always survived, that the extravagant spender was the true benefactor, the real philanthropist, and a very fine fellow. Perhaps it was the fault of the economists who were never as lucid as they might have been. Still, the popular paradox was easily confuted by the parable; for without being learned in Jevon's Elements, or Mrs. Fawcett's Lessons, it is obvious that it was the elder brother, and not the prodigal, who kept the old home together.

We are getting into the right way. Political economy is becoming concrete, and ceasing to be a subject for theoretical abstract disquisitions. Professor Spooner's book is a book for the times, and is just what

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is needed. It is as concrete as the cinema, and is the very thing for the popular mind. The chapter on "The Romance of Waste" may not be so thrilling as the romance of the pictures, but it is more satisfying. It tells of the foundation of great industries from the utilisation of supposed waste; how petrol was once a waste by-product, and margarine arose from suet, cotton-seeds and coco nuts; how we owe our 400,000,000 gas mantles a year to investigations into thorium which one time had no known use; how light and heat may be obtained from sewage, millions made from battlefield waste, fortune from ships that have been torpedoed during the war, and sunken treasure ships.

Professor Spooner's book must be read, as the pictures must be seen, to appreciate its multifarious contents. One may take it up, as one may drop into the pictures, sure of coming across something interesting and surprising on every page. The chapter on "Miscellaneous Household Wastes and Economies" ought, if the owners of the copyright can be "approached," to be reproduced in cheaper form, for a daily lesson in the homes and schools of all classes. We all need instruction—how and why, in our present situation—household economy is national economy, and individual waste, national waste. Economy is not merely a temporary expedient to see us through the war. The teaching of economy, and the practice of it, will be necessary in private life for at least a generation.

Professor Spooner treats of waste in connection with a group of big subjects which are related both to national economy and to individual economy. There is the coal question. Our coal bills will be a larger item than ever in family expenditure; and the national waste of coal is an enormity. We are procuring electric light and power by a wastage of coal which is a crime against the nation and the individual. The Commissioners on Electric Supply and Distribution have stated that the possibility of the wages of workmen, and the profits of manufacturers, after the war, remaining at anything like the past level, depends on a vast extension of electric power to industry; and that this is impossible in the present disorganized and uneconomic condition of the electric supply. It is wasting coal enormously, and the utilisation of every ounce of coal is necessary for an effective electric system of light and power. Professor Spooner brings before his readers, in the effective manner already mentioned, this and other subjects relating to national economy; such as the waste in agriculture, the utilisation of land and its reclamation; and the neglect of afforestation.

More personal and emotional, for Professor Spooner is no Gradgrind, are his chapters on "Waste due to Human Fatigue"; "Wastage of Human Life, Limb and Health and its Economic Effect"; and "Waste due to Adulteration." The whole book brings before us, as they ought to be brought, the topics of national and individual economy applicable to our present circumstances.

THE RUSSIAN MYTH.

Russia in Travail. By Olive Gilbreath. John Murray. 1918. 7s. 6d.

AS a picturesque and amusing account of an American lady's travels from Pekin to Petrograd, by the Siberian railway, in war time, and of her subsequent visits to Nizhni Novgorod and Moscow, this book can be recommended. There is plenty of local colour, and Miss Gilbreath's descriptive skill is considerable and evidently that of a trained hand. As a political contribution to the Russian question—and from the ambitious title of the book we infer that the author desires to enlist our sympathy with Russia as a nation—there is nothing new in these pages. Whether there is anything true we cannot say: for we do not know whether we are meant to take seriously the little love plot and the conspiracy of Russian officers to sell arms to Germany. To be frank, we are not much interested in discovering what is "Behind M. Novinsky's eyes," nor do we care about the glow in his face. He is the Russian noble, in the diplomatic

service, who makes love to and marries the writer; whether in fact or in fiction is, as we have said, doubtful. As a Russian aristocrat he is a trifling stagey, and the love-making is quite on conventional lines. But we are heartily tired of the myth which these pages are intended to support, that the Russians are dreamy, romantic, good-natured idealists, who would not hurt a fly. We presume that the Soviets, which have for over a year exercised supreme power, are representative of the Russian people. There is nothing dreamy or romantic about the pistolling and machine-gunning that has been practised against political opponents, and the church robberies, bank lootings, and street thieving, have unpleasantly practical and realistic results. All this nonsense about the Russian people has been propagated by Tolstoy and Turgenev, and other poets and writers of fiction. If Bolshevism is dreamy romance we can only say we prefer the prosaic realism of the Entente nations. Let us clear our minds of cant; and recognise the truth that the Russians are savages, and that the members of the small civilised class, which exists in all countries, have either been murdered or have fled to France and England.

THE PEOPLE OF THE SOUTH SEAS.

The Lau Islands (Fiji). By T. R. St. Johnson. Times Book Club. 5s. net.

VERY few of our readers probably know where the Lau Islands are, or care. It cannot be said that this particular group of islands is of any positive value to the Empire—commercially, industrially, strategically, or even sentimentally. The value that it has, if any, is negative. The group lies too near to the Fiji and Tonga Islands, and even to New Zealand, to permit of its occupation by any other power without disturbance of our peace of mind, or, at any rate, the peace of mind of those of us who are specially interested in the South Western Pacific. And as the Lau Islands must be under the control of some power or other, from our point of view that power must necessarily be British. Mr. St. Johnston was for

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many years an administrator in these islands, and is well qualified for the authorship of this book, not only by his long residence, but still more by his close intercourse and great sympathy with the natives—an intercourse and sympathy to which his book is a monument—and his deep interest in and gift for the study of folk-lore.

British occupation and administration, and also Christian missionizing are not conducive to the preservation of folk-lore, and Mr. St. Johnston's task is immeasurably far more difficult than if he had been one of the first band of Europeans to visit the island over a century ago, cast ashore from an unknown ship wrecked on one of the reefs that beset the islands, unwilling visitors as were, it is assumed, the natives from Tonga who originally peopled the islands centuries ago. In one passing sentence the author shows how Christianity tends to destroy folk-lore and all other picturesquenesses in the inferior civilizations. "Even the oldest people, old Lauan ladies and gentlemen (I use the term intentionally, for the manners of the old people are always good, and very different from those of many of their descendants), who were born about the time when the *lotu* (Christianity) first came to Lau, just eighty years ago, were strictly forbidden, perhaps wisely in those early days, to talk about anything at all connected with their old mythology." However, Mr. St. Johnston has exercised infinite patience and has managed to rescue and preserve many of the folk-stories that would otherwise have been lost. That his task was beset by difficulties undreamt of by the layman is shown by mention of some of his last notes. "I once possessed a further series of notes that I took from chats with two old chiefs now dead; but, alas! a hurricane with a tidal wave swept that set of papers away, and the data are now lost for ever."

MILDLY INTERESTING.

Wren Wife. By Cyril Russell. Collins. 6s. net.

WREN'S wife is, in fact, a person of much less importance than Wren himself, the protagonist and centre of the drama which plays itself out in these pages. He represents, indeed, the only serious attempt at character study in the book. Mrs. Wren, her blameless admirer, and her devoted friends, female and male, are all nice people, bearing quite a colourable resemblance to other nice people whom we have encountered in the flesh, but making no vivid impression upon us. Whereas Wren's is an unusual nature developed under unusual conditions, and though scarcely attractive, he arouses interest of a sort. The son of an Irish landlord, he conforms rather to probability than convention in that he is apparently free from brogue. But he has other characteristics partly traceable to his nationality and social position; inaccuracy in literary research, for example, and a lamentable deficiency in perseverance. His powerful but unbalanced mind is a prey to the furies of drink, disease and jealousy; and under these influences he resolves upon measures which give rise to a mildly exciting mystery. The scene changes meanwhile from Montreal to the South of Ireland, from Blackburn to Barbados, and the story, in spite of its tragic element flows agreeably along.

OUR LIBRARY TABLE.

The 'Mercure de France' begins its 129th volume with a solution of the problem of Rimbaud, a poet who will always be associated with Verlaine. An article on Cancer, and another on American Aviation are noteworthy. 'The Modern Language Review' (University Press, Cambridge, 5s. net) contains an account by Mr. Edmund Gosse of the friends of Ibsen in Norway some forty years ago and the first of a series on 'The Tale of Love's Labour Lost,' by H. B. Charlton. Prof. Ker some lines of Dante as the text of an interesting little paper, 'De superbia carminum,' on the harmony of eleven and seven syllable lines. There are a number of other papers of value, one identifying the Blatant Beast of Spenser with Martin Bypreale and his men.

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BOOKS.

BOOKS RARE AND OUT OF PRINT.—Millais's Mammals of Britain, 3 vols., £18.18; William Morris's Collected Works, 24 vols., £12.12; Wheeler's Old English Furniture, 12/6; Elwood's Human Figure Studies, 16/-; Gotch's English Homes, 30/-; Railway Magazine, vols. 1 to 11, £2.15; A.B.C. Code, fifth edition, 21/-; Geo. Moore, A Story Teller's Holiday, signed by author, £2.2; Wisden's Cricketers' Almanac, 15 vols., £2.2; Lillywhite's Cricketers' Annual, 27 vols., £2.15; Cricket: a Weekly Record of the Game, 30 vols., £8.6; Memoirs of Harriette Wilson, coloured plates, 2 vols., 21/-; Frank Harris, Life and Confessions of Oscar Wilde, 2 vols., £5.5. Send also for Catalogue, 100,000 bargains on hand. If you want a book, and have failed to find it elsewhere, try me. EDWARD BAKER'S GREAT BOOKSHOP, 14-16, John Bright Street, Birmingham.

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'The Nineteenth Century' for September (Spottiswoode, 3s.) is mainly political this month, the only literary subject dealt with being 'Madame de Staél and Germany,' by Rowland Grey, who deals faithfully with that overwhelming bore and her knowledge of Germany. No one reads her except unfortunate students preparing for University Local Examinations, and a few omnivorous persons who feel it a duty to know everything that has been written in the periods they study. Two articles deal with India, the first protesting against our handing over that country to the rule of the Brahmins, and exposing the fatuousness of the official scheme, the second advocating Indian colonization in East Africa, a matter upon which the Africans, colonists and natives alike, would have much to say. 'The position of naturalised British subjects' is put before the public by one of them in a very sensible and restrained way, which ought to have some effect upon the reflective parts of it; we fear, however, that this is too small to materially affect the present epidemic of sensationalism until it has its course. Prof. Simpson writes with authority on 'The present-day significance of Siberia,' a subject on which information is much needed. 'Germany's Food Problem' is an analysis of the position in Germany, as shown by its own official reports.

'The Round Table' (Macmillan, 2s. 6d.) besides its usual features, contains a well-informed article on 'The Spirit of the Russian Revolution,' optimistic as to the future, and a little too sympathetic with the past. A generally friendly criticism is given to 'The Montagu-Chelmsford Report.' The survey of Imperial politics, which is the main object of this review, proceeds on its accustomed lines.

'Blackwood' for September (2s. 6d.) closes Mr. Ellison's adventures by a triumphant escape. Mr. Candler describes the old road from Baghdad to Persia, Mr. Hine writes agreeably of Sir Justinian Pagitt, who preserved his place of *Custos Breuivium* under the Commonwealth after the Restoration, and Mr. Whibley explains that all the hard names used in early nineteenth century literary criticism were only pretty Fanny's way in an article on Hazlitt. 'Musings without Method' deals faithfully with Bolshevism in Russia and elsewhere, and disapproves of the proposed General Election.

'Cornhill' (Murray, 1s. net), besides its continued articles by Boyd Cable (at his best this month), Bennett Copplestone, and Sir Rider Haggard, has a noteworthy corrective of some misplaced admiration in 'Naval Hunnism,' by Lewis R. Freeman, in which some home truths about von Müller and the Emden are told to the public. The number is above its usual high standard of interest.

The principal articles in 'The Geographical Journal' (2s.) are by Sir Alfred Sharpe on 'The Backbone of Africa,' describing the route from the Zambesi to the Nile, and by Douglas Carruthers on the caravan route from Aleppo to Basra through the desert, mainly historical, with an excellent map. 'The New Europe' has a valuable account of 'The War in Asiatic Russia,' from the pen of Miss Czaplicka.

The 'Revue des Deux Mondes' for 1st September contains a very interesting study by Vicomte Georges d'Avenel on the cost and methods of transport of merchandise in France from the thirteenth century to the present day, starting from the fact that for every individual Frenchman 13,000 kilos of commodities were brought an average distance of 100 kilometres, or 60 miles per annum in the twentieth century. Improved transport has made it impossible "mourir de faim sur un tas de blé," except perhaps in Russia. René Pichon describes the Czecho-Slovak campaign in Siberia under the title of 'A new *Anabasis*.' Mr. John Galsworthy, in translation, provides the fiction.

LATEST PUBLICATIONS.

A Nation Trained in Arms or a Militia (Lt.-Gen. Baron Freytag-Loringhoven). Constable. 4s. net.
 Anglo-Belgian Relations (Herman van der Linden and Paul Hamelius). Constable.
 A Minstrel in France (Harry Lauder). Melrose. 7s. 6d. net.
 Clown's House (Edith Sitwell). Blackwell. 3s. net.
 Corn from Olde Fieldes (Eleanor Brougham). The Bodley Head. 7s. 6d. net.
 From Czar to Bolshevik (E. P. Stebbing). The Bodley Head. 7s. 6d. net.
 Far Away and Long Ago (W. H. Hudson). J. M. Dent. 15s. net.
 Daring Deeds of Merchant Seamen (H. F. B. Wheeler). Harrap. 5s. net.
 Dreams and Journeys (Fredegond Shore). Blackwell. 2s. 6d. net.
 Eastern Exploration (W. M. Flinders Petrie). Constable. 2s. 6d. net.
 Fields and Battlefields (B1540 R.A.M.C.). Constable. 5s.
 Forlorn Adventures (Arthur Lewis Jenkins). Sidgwick & Jackson. 1s. 6d. net.
 From Autocracy to Bolshevism (Baron Gravenitz). Allen & Unwin. 5s. net.
 Greek Political Theory (Ernest Barker). Methuen. 14s. net.
 Galleys Laden (Four writers). Blackwell. 2s. 6d. net.
 His Grace of Grub Street (G. V. MacFadden). The Bodley Head. 6s. net.
 Joan and Peter (H. G. Wells). Cassell. 9s. net.
 Libri Sancti Patricii (Newport White). S.P.C.K. 6d. net.
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 Modern English Writers (Harold Williams). Sidgwick & Jackson. 12s. 6d. net.
 Nelson's History of the War. Vol. XX (John Buchan). Nelson. 2s. 6d. net.
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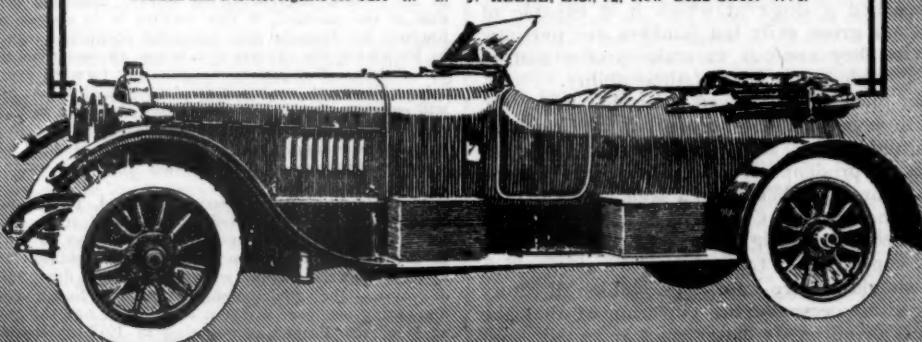
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THE CITY.

As past-master and chief-executor of the bank amalgamation policy, it is fitting that Sir Edward Holden should be its most effective defender. At the last meeting of the London City and Midland Bank called to approve the absorption of the London Joint Stock Bank he justified from the bankers' standpoint the fusions that have so far been arranged. Although he did not use the phrase, his text was "unity is strength," and strength in the form of concentrated financial resources will be necessary to provide adequate assistance to trade after the war and to compete with the concerted financial energy of Germany and other foreign competitors. Looking back at the commercial crises of the last century he was able to demonstrate how the responsibility of financing the growing volume of the country's trade had involved numerous bank failures in times of stress; but with the advent of the bank amalgamation policy bank failures became fewer and in the present century have been practically eliminated.

Looking to the future, the rehabilitation of peace industries after the war is estimated to require at least 300 millions, and credit for that amount will be needed. At the same time, it will be essential to maintain London's position as financial centre of the world. Leaving American rivalry out of reckoning, one of the principal competitors of this country will be Germany, whose banks have already made great preparation by mergers and affiliations. Deposits can be employed more effectively if concentrated than if scattered. Sir Edward estimates that the five leading German financial institutions control 1,140 millions sterling of deposits, and he therefore finds satisfaction in his calculation that the five leading English banks control 1,264 millions of deposits, the London Joint City and Midland at their head with 314 millions.

His policy vindicated by these and other cogent arguments, Sir Edward proceeds to demolish its critics, here again exploring the past and envisaging the future. If you fear that customers will receive less assistance from one merger than from its constituents you are wrong. "We have not had a single instance in which the accommodation given by a bank taken over by us has not been much greater after amalgamation than before." This statement is fortified by statistics. Do you believe there will be less competition? It is false. When two banks join forces other banks open branches in towns served by the two. That is the experience of the past, and, as to the future: "This bank will open branches in the eastern and south-western counties in every town where two banks have gone together." This is a challenge to the Barclays-London Provincial and South Western combine, and be it noted, Sir Herbert Hambling, of the latter, firmly believes that competition will be intensified between the remaining banks. Competition means new branches; new branches mean branch managers who must get business; getting new business means attracting customers and you cannot attract new customers—or keep old ones—by curtailing their accommodation.

In short, it comes to this: the bank amalgamation craze has reached a stage at which it is capable of great good and great evil; but bankers are patriotic business men; they are out to make profits and to foster British trade to the best of their ability.

The rubber market has revived somewhat under the influence of the news that the export duty at Singapore will be remitted, which, as it could not be collected, was perhaps a prudent stroke on the part of the Colonial Government. We hear a well authenticated rumour that the Dunlop Company is getting preference in the matter of freights because it is filling a Government contract. If true, this is a matter which the R.G.A. should inquire into. The Dunlop directors have managed to persuade the Government that the Byrne process of curing is better than any other, and therefore that Dunlop rubber is the best. But this is no reason why the Dunlop Company should get an undue priority in freights.

LONDON CITY & MIDLAND BANK.

An extra-ordinary general meeting of the London City and Midland Bank, Ltd., was held on the 13th inst. at the Cannon Street Hotel, E.C., for the purpose of approving the agreement for the amalgamation of the London Joint Stock Bank, Ltd., with the London City and Midland Bank, Ltd., providing for an increase in the directors' remuneration, increasing the capital of the company, and changing the name of the company to "London Joint City and Midland Bank, Ltd."

The Chairman (Sir Edward H. Holden, Bart.) said: There has been a series of amalgamations during the last nine months between large banks, and the question is naturally asked: Why have the banks within such a short time effected such important amalgamations? As you are aware, the London City and Midland Bank have consistently pursued the policy of amalgamation since the year 1888, and for us it is only a continuation of our policy to seek to obtain a union with the London Joint Stock Bank. Five years ago an attempt was made to bring these two banks together, but it failed on the question of price.

As regards the general question, several important reasons may be advanced. In the first place, bankers are confronted with the problem of restoring the industries of the country after the war to the condition which they previously occupied. The concerns which have been converted from peace production into munition factories will have to be reconverted to their original condition. In the case of a number of those branches of industry which have continued in their pre-war occupation, such as those producing for home consumption and for export, the plant and machinery have been allowed to run down, and it will be necessary to renovate them and bring them up to date, and even to a better condition than before the war. Large sums of money will have to be found for the purchase of raw material, and large sums will also be required to improve the trade position generally. It is estimated that no less than 300 millions sterling will be required for these purposes, and credit will in some way have to be created for that amount. One of our principal competitors in the future will be Germany, and just as the Germans made great preparations for the war by increasing their armies and supplying themselves with large amounts of gold and munitions of war, so they are at the present time making their preparations for after-war trade. These preparations take the form not only of a continuation of the Darlehnkassen, but also of enlarging and strengthening their joint stock banks by amalgamations and by the opening of new branches. As a result of their amalgamations it is estimated that the Deutsche Bank at the present time have over 300 millions sterling of deposits, the Disconto-Gesellschaft over 200 millions and the Dresdner over 170 millions, in addition to which it must be remembered that each of these three banks is affiliated with a number of smaller banks, over which they exercise direct control, and also a number of banks with which they are indirectly connected. For example, the Deutsche Bank is at the head of, and directly controls, a banking group consisting of 25 banks with total deposits of about 450 millions, while the group of the Disconto-Gesellschaft is made up of 14 banks with total deposits of over 300 millions. The Dresdner Bank also have a number of affiliations. These are the three principal German banks with which we shall have to compete, and to do so successfully we must meet them on a fair equality of size. By the amalgamations which have taken place in this country our banks have grown at the present time, excluding affiliations, to a magnitude measured by 300 millions of deposits in the case of our own bank when this arrangement is completed, 243 millions for Lloyds Bank, 230 millions for the London County and Westminster and Parr's Bank, 212 millions for Barclays and 176 millions for the National Provincial and Union Bank of England.

Criticism has been directed against the way in which the joint stock banks do their business through their system of branches, and it is further alleged that the industries do not get as much assistance as was given by the private banks in the old days. Having remarked that criticism of this kind cannot be adequately met except by going in detail into the history of the banking system of this country from the year 1800 to the present time, the Chairman reviewed the system and the beginning of the amalgamation movement, and went on to say:—This record justifies me in saying that the system of bank amalgamation has proved of the greatest advantage to the whole of our industry and commerce. I now come to the present time, and I direct my view forward to the future. There has never been a parallel to the present position in the world. Speaking of the domestic side of the question, if this country is to restore and gradually improve her financial and industrial position, it can only be done by increasing her exports to a larger amount than they have ever been before. But just as we must put forward every exertion to bring this about, we must not be unmindful that other countries will endeavour to do the same. We shall live in a world of keen competition for export trade. We shall only be in a position to win in the struggle and to increase our trade if our banks are not less big and powerful than those of our trade rivals. (Applause.)

At the present time America, Holland, Japan and Spain have really more gold than they require, and it is conceivable that some of their gold may gradually flow away to our country and to countries in a position like ours. In addition to the gold in foreign countries, which we might hope to draw upon, we have, of course, the gold coming from the South African mines, amounting last year to about 38 millions, and the gold from other parts of the Empire, amounting in 1917 to about 18 millions. The total gold production of the world in 1917 amounted to 89 millions, against 94 millions in 1916, nearly 97 millions in 1915, 92½ millions in 1914, 94½ millions in 1913 and 96 millions in 1912. There will undoubtedly be a great demand for gold

after the war, and when the South African gold is again offered for sale in London we should at all costs retain it in this country and not allow other countries to take it from us as was done before the war. We repeat that if gold can be obtained matters may be arranged without much difficulty, but we must not overlook the fact that the output of gold is diminishing in consequence of the increased cost of production, and we may be called upon to adopt some measures to assist production and maintain the output at a high level. If gold cannot be obtained the currency note and the Bank of England note and the Bank of England balance will have to be used to take the place of gold—that is to say, large advances will have to be made by the banks, such advances will create credits, and the cash balances, which will have to be used as reserves for those credits, will not be gold, but will be the currency note, the Bank of England note and the Bank of England balance.

I come now to the domestic side of this question. The Chambers of Commerce have been afraid that under the system of amalgamation manufacturers and merchants would not get the same assistance from the amalgamated bank that they got previously from the two separate institutions. We must remember that banks have to make profits in the same way as any other business, and that the deposits of two banks which are amalgamating cannot be absolutely locked up. They must be lent, otherwise the bank will not make a profit, and in my opinion the one bank which is made up of two banks, will be able to lend quite as much or even more money than the two banks lent individually. If the loans are continued by the joint bank to the extent that they were made by the separate banks before the amalgamation there can be no cause for complaint by the industries, but we are hoping that the industries will get even better accommodation, if their demands are legitimate. Experience has shown this to be the case. Taking the case of our own amalgamations, we have not had a single instance in which the accommodation given by a bank taken over by us has not been much greater after amalgamation than it was before the bank was taken over. The deposits have also increased to a much larger extent than would have been the case if the bank which we have taken over had continued as a small and separate institution, and consequently we have been able to give more accommodation. In illustration of the truth of this statement I will now give you the advances which have been made by our bank every five years since we came to London in 1891 up to the present time, and show you that they have kept pace with the increase in our deposits:—

Year.	Advances.	Deposits.
December, 1891	£4,232,000	£8,118,000
1896	8,669,000	15,757,000
1901	23,214,000	44,730,000
1906	28,040,000	52,224,000
1911	43,435,000	77,708,000
1912	46,442,000	83,864,000
1913	51,309,000	93,834,000
1914	62,425,000	125,733,000
1915	65,922,000	147,751,000
1916	63,869,000	174,621,000
1917	81,156,000	220,552,000
June, 1918	87,520,000	236,230,000

are an old country, and we can find gentlemen sufficiently qualified to be directors without taking the directors of any other bank. When under the Act of 1826 some 120 banks were established in the course of a few years, we had not sufficient banking experts, and the managers came largely from Scotland, but the directors did not come from Scotland. They were found in our own country, and were not directors of other banks. Even under these conditions we did not have interlocking directorates. As to the dangers of a money trust, what precisely is meant by the term "Money Trust"? Presumably, as applied to banking, it is the concentration of deposits in the hands of one bank, and the inference is that the directors of that bank will misuse the money which their depositors leave with them. This is a very serious statement to make. The directors of this bank will never go into any rings, and they will never misuse the funds which are entrusted to them. Of course, we are expected to make some profit from our trading. Seventy-seven millions of our advances are lent to our industries, and those who complain of the danger of a money trust will acknowledge that this money is properly lent. We hold nearly 40 millions in investments in Government securities. Is this indicative of a money trust? Further, we are lending an additional 50 millions to the Government through the Bank of England or otherwise. Is this lending indicative of a money trust? There is nothing in the nature of a money trust in our establishment, and there never will be. Our business is legitimate business, and the cry of "money trust" as applied to our institution or to the other banks is absolute nonsense. We cannot have interlocking directorates in this country because it is against the practice of the banks for a director of one English bank to be a director of another English bank. The banks are against rings. This bank particularly is against rings, and in no circumstances would we be induced to go into one.

Will the opponents of amalgamation raise the question that it is against the interest of the country to have a concentration of resources? We must remember that we are a small country and that we derive our deposits from a population of 47 millions. America has 105 millions, Germany has a population of 70 millions, and consequently they have a larger amount of deposits. The deposits of this country can be more effectively lent if they are concentrated than if they are scattered. By being concentrated they can be transferred more readily from those parts of the country where they are not wanted to those parts where they are required. It would be impossible to make these transfers if the deposits were not concentrated. Take the case of our own bank. We have 1,100 branches, and these 1,100 branches gather deposits from different parts of the country, and if the bank has deposits in one part of the country which cannot be lent they are easily transferred to another part of the country where they are required. I say the gentlemen who write and talk against concentration of resources do not understand the conditions of banking in this country, and their observations do more harm than good. With regard to the statement that the recent amalgamations will cause a reduction of banking accommodation, I should like to point out that this bank will open branches in the Eastern and South-Western counties in every town where two banks have gone together. This will mean that the towns will not, and cannot, suffer from a curtailment of banking accommodation. The new branch will have to make a business, and in order to make that business competition will be greater than it was before. Before closing this part of my speech I should like to deal with another objection which has been urged against these amalgamations—namely, that the small man does not receive considerate treatment at the hands of the big joint stock bank. What is the position of this bank with regard to the small man? We have on our books over 40,000 customers who have come to us and secured accommodation in amounts of £500 and under, between 20,000 and 25,000 are borrowing on an average less than £50 each, and the total of our advances to these customers amounts to about six millions sterling. We ask anyone who alleges that we do not treat the small man considerately to bring us examples. As I have said, we have 40,000 of these small men on our books, and we are quite willing to increase that number to 140,000 or more if the demands they make upon us are legitimate.

Now let us come to the details of the amalgamation of the London Joint Stock Bank with this bank. We admit that we have treated the shareholders of the London Joint Stock Bank in a liberal manner. It is always more agreeable to us to treat the shareholders of an incoming bank in a liberal rather than in a parsimonious way, but when you come to examine our figures you will find that your capital of £5,192,000 and your reserve of £4,346,000, or 84 per cent. of your capital, will be very considerably increased as a result of the amalgamation. We have never yet carried through an amalgamation without adding to the reserve fund of the amalgamated bank the same percentage of the new capital created as was the percentage of the reserve to capital of our own bank, but in the case of this amalgamation the Joint Stock Bank have contributed more than 84 per cent. We have increased our capital by £1,960,000, which we have given to the shareholders of the Joint Stock Bank, and they have given to us for that amount their capital and reserve, which amounts to £4,295,000. Therefore, after we have provided the amount of new capital, the balance left which we receive is £2,315,000. In addition, we both contribute out of our carry forwards, which amount to £859,000, the sum of £511,000, which we are adding to the reserve fund. Their contributions to our reserve fund raise the percentage of reserve to capital to 94.6 per cent., whereas before the amalgamation it was only 84 per cent. True, their shareholders will get an increased dividend in the aggregate amounting to £41,000 a year, but the profits from their business will not only give us that £41,000 to pay to them, but will give us in addition a very large sum, so that even from this point of

The industries have derived a much greater benefit from our amalgamations than they would have enjoyed if we had not adopted the policy of amalgamation, and, therefore, it is incomprehensible to me that business men should have opposed our proposed amalgamation with the London Joint Stock Bank. There is no bank in this country which is established to the same extent among the industries as the London City and Midland, and there is no bank which has given greater accommodation to the industries. We know that at the present time restrictions are placed upon our manufactures and exports, and therefore, we should have expected to see the amount of the accommodation given to the industries decrease, but such has not been the case. While our advances have run down in many instances, and have even changed into credit balances, yet we have succeeded in so enlarging our business that instead of loans being reduced they have been increased in amount. Before the war our advances, including the figures of the Metropolitan Bank, were £61,000,000; at the present time, excluding advances for the purchase of War Loan, they are £77,000,000. On the other side of the balance sheet our deposits before the war were 105 millions, and at the present time they amount to 242 millions, or an increase of no less than 137 millions, or 130.5 per cent.

It has been alleged very strenuously that amalgamations cause competition among the banks to become weaker. Any such statement is false, and without any foundation whatever. To prove this I say that already there are very few districts, if any, in which other banks have not taken steps to establish new branches where the number of banks has been recently reduced by two banks going together, and I would venture to say that, instead of competition being weakened, competition between the banks in future will be much more severe. There is no cause whatsoever for opposition to amalgamation on this account. Following on the cry of decreased competition we have had the cry of interlocking directorates. America has been pointed out as a country where interlocking directorates have proved injurious, and the conclusion has been drawn that interlocking directorates will be created here and prove equally injurious. America is a great country. To develop it she has had to establish industries. She could not build up her industries without establishing many new banks. She had not sufficient men who understood banking, and therefore these new banks had to be directed and managed by men engaged in the banks already established. In this way men became directors of several different institutions, but such is not the case here. We are a small country, and we

view the London City and Midland Bank have protected the interests of their shareholders. Now we come to our shareholders. It is the policy of this bank to strengthen the bank from every point of view. We have paid you 18 per cent. when we could have paid you a much larger dividend, but we have preferred to increase the capital of the bank and offer in increased capital what we consider to be a good return. We offer a share of £2 10s. at the price of £5. One new share will be allotted to every shareholder in respect of every seven old shares held at the time of the new issue. This will enable us to put £1,024,000 to our capital account, raising it to about £8,200,000, and £1,024,000 to our reserve, raising it also to about £8,200,000. The new shares are fully paid, and we will pay on them the same dividend as on the Ordinary shares, which is now 18 per cent., returning 9 per cent. gross, or £6 6s. per cent. after paying income tax at the rate of 6s. in the £. This is a remarkably good return for a bank share. As our banking ancestors have handed down the custom of issuing shares only partly paid-up, leaving a large uncalled liability and only a small amount of capital on which dividend had to be paid, it follows that English banks have paid a high rate of dividend. The present policy of banks all over the world is not to have an uncalled liability, but to have a fully paid-up share. The German banks have been built up on that line and the French and American banks adopt a similar custom, so that in the matter of our new issue we are only conforming to a principle which is generally accepted throughout the banking world. There is no doubt that Bank shares with a large amount of uncalled capital do not appreciate so much as Bank shares which are fully paid. When these arrangements are all carried out, and when we have obtained the consent of the New Issues Committee to the issue of the new capital, the paid-up capital of this bank will be about £8,200,000, and the reserve will be about £8,200,000, making together a total of about £16,400,000. It is the ambition of a banker to see his reserve fund equal to his capital, and we have satisfied that ambition. Let us see where we stand among the great joint stock banks of this country and of Germany. Including affiliations, we estimate the deposits of the five principal banks in each country as follows:—

GERMANY.

Bank.	Deposits.
Deutsche	£450,000,000
Disconto-Gesellschaft	300,000,000
Dresdner	220,000,000
Bank für Handel und Industrie	90,000,000
Commerz und Disconto	80,000,000

£1,140,000,000

UNITED KINGDOM.

Bank.	Deposits.
London City and Midland	£314,000,000
Lloyds	300,000,000
London County Westminster and	
Parr's	250,000,000
Barclay's	220,000,000
National Provincial and Union of	
England	180,000,000

£1,264,000,000

Having dealt with the qualifications of the members of the general management, which are of the highest order, the Chairman went on to say:—I do not want to close my remarks without making some observations on our last transaction—namely, the purchase of the shares of the Belfast Banking Company. When we entered into that transaction the capital of the Belfast Bank was £500,000 and the reserve was £450,000; at the present time the capital is £500,000, the reserve also is £500,000, and the balance to the credit of profit and loss account is £86,255, so that together these three sums amount to £1,086,255. We purchased that institution for the sum of £1,237,500, and we have written the shares down in our books by £477,810. The shares of the Belfast Banking Company, therefore, stand in our books at £759,690, or £326,565 less than the sum of the capital, reserve, and balance to the credit of the profit and loss account. As the bank is doing remarkably well, the profits last year being £104,000, the dividend paid £44,000, and the surplus profit £60,000, the purchase must be held, I think, to have been a good transaction and one in which our judgment has been vindicated. I will now propose the following resolution:—“That the proposed agreement for the amalgamation of the London Joint Stock Bank, Ltd., with the London City and Midland Bank, Ltd., a draft of which is submitted to this meeting, and for the purpose of identification is subscribed by the Chairman of this meeting, be and the same is hereby approved, and that, in view of the addition to the number of directors by the said agreement authorised, the total sum payable to the directors for their services shall, as from the date of the amalgamation becoming effective, be increased by £12,000 and shall be paid to them free of income tax.”

Mr. W. Graham Bradshaw (deputy-chairman) seconded the resolution.

Mr. Edward Rae and Mr. Deputy Millar Wilkinson having warmly supported the resolution, it was carried amid applause.

The Chairman then proposed the following resolution as an extra-ordinary resolution:—“That the capital of the company be increased to £41,450,000 by the creation of (a) 1,000,000 new shares of £12 each, and that in respect of each of the said shares the sum of £7, part thereof, shall not be capable of being called up, except in the event and for the purposes of the company being wound up; and (b) 500,000 new shares of £2 10s. each.”

The Right Hon. Reginald McKenna, M.P., seconded the resolution, which was supported by Sir William H. Seager.

The resolution was carried.

LONDON PROVINCIAL AND SOUTH WESTERN BANK.

AMALGAMATION WITH BARCLAYS UNANIMOUSLY APPROVED.

An extra-ordinary general meeting of the London Provincial and South Western Bank, Ltd., was held on the 16th inst. at the Cannon Street Hotel, E.C., for the purpose of submitting resolutions providing for the amalgamation of the bank with Barclays Bank, Ltd. Sir Herbert Hambling (the chairman) presided.

The Secretary (Mr. Herbert Potter) read the notice convening the meeting.

The Chairman, in the course of his speech, said: This meeting has been summoned to deal with most important proposals, and I wish, in as few words as possible, to explain the reasons which have induced the Board to recommend a policy quite at variance with the attitude they had adopted practically during the whole existence of the bank. These may be summarised under two headings—that is to say, general and specific. You will understand that by the general position I mean the national position. Undoubtedly we bankers have a duty beyond that we owe to our shareholders, and I will endeavour to show why, in my opinion, banking amalgamations will help us successfully to perform this duty, and why, by acting for the national good, we shall best serve our own interests. I am not one of those who consider that the millennium will automatically arrive with peace. On the contrary, I believe the period of readjustment will prove one of the most difficult in our economic history. Hitherto it has seemed the policy of this country to await the event and then to deal with it. We have had an unfortunate experience of this in connection with the war. A little thought, a little foresight, might have produced before this signs of weakness in the enemy which are now appearing. Let us see that we follow the victories we are obtaining in the field by victories in the commercial war which will follow.

Before the war, from the commercial point of view, Germany was steadily forging ahead and eating into our trade and commerce all over the world. This must be avoided in the future—(hear, hear)—but nothing can be done by merely talking or by appointing endless committees. Definite action is called for, and the recent developments must be regarded as an essential preliminary to such action. They are means to an end, while admitting that the question is a complex and far-reaching one, personally I have weighed the advantages and disadvantages, and, in common with most bankers, am satisfied that the former outweigh the latter. (Hear, hear.) In saying this, I have in mind the national and commercial aspect, for I realise the continued prosperity of a bank depends almost entirely on the continued prosperity of the nation. What is good for the one is good for the other, and for the bank to adopt a policy adverse to the national interests would be suicidal. The factors which influence me in favour of a continuance of that policy of amalgamation which has been steadily proceeding for the past fifty years are too numerous to be dealt with fully in a brief statement, but, speaking broadly, the knowledge—increased by war—of the widespread ramifications of the German banking and industrial machine and of its enormous power is dominant. Careful thought has convinced me that banks can and must play a larger part in the future commerce of the country, and if the manufacturers and merchants will do their part, in which they should have behind them the active support of the Government, they will find the banks ready to give them the necessary finance and co-operation. It may be said—and, indeed, it is said—that these facilities can equally well be supplied by the smaller institution. With this I do not agree, as the really efficient provision of the facilities I have in mind involves an outlay so large that it could not be supported by any but the largest type of institution.

It is perhaps not as widely known as it should be exactly how the German banking and industrial machine works. The banks control the policy of hundreds of industrial concerns and numerous smaller banks. On the other hand, the great industrial combines work so closely with the Government that it is difficult to state with whom the ultimate power lies. The fact remains that the tentacles of this mighty organisation cover the whole world, and that branches of the “parent” concerns—often trading under false national colours—are established in every commercial centre. Each of these subsidiary industrial companies, and each of these German controlled banks, therefore, has behind it for propaganda purposes the whole weight of one of the greatest combines which has ever existed, and each is directly interested in pushing the sale of German-manufactured articles and in obtaining and supplying information for the benefit of German trade. When it is realised that they are struggling against such an overwhelming combination of interests, how can it be said that our overseas banks would not benefit by the backing which a great bank can give?

A frequent criticism is that the big banks are turning their attention too much to foreign business and too little to home trade. This, I think, is untrue, for it is based on the misconception that the banks are considering various methods by which they can finance foreigners, whereas their attention is really given to methods by which our own colonial and foreign trade can be financed. In this connection, it must be remembered that in view of our greater self-containment, and in view of our post-war economic position, the output of our factories will more and more be destined to foreign parts, and it follows that the best support to the home manufacturer will be provided by helping him in every possible way to establish trade with colonial and foreign markets. It is also stated that we bankers are taking a course which will lead to Government control. If this should prove true it would indeed be serious; but, personally, I do not think it will.

—(hear, hear)—for the nation has witnessed the failure of State control in nearly every undertaking it has touched—(hear, hear)—while the spread of officialdom has not tended to emphasise the benefits of State ownership. In a business such as banking, where the spoken word, quick decision, personal initiative, judgment and responsibility count for so much, the whole community would, I think, realise that the continuance of the existing institutions, under the present form of management, is far better than placing them in the hands of officials brought up under a system which encourages "red tape" and rarely quick decision. That other bugbear, the question of a money trust, also appears to me to be remote; for, in my opinion, were the banks to endeavour to combine for their own benefit, rather than for the benefit of the nation, the existing smaller banks would immediately obtain a greater number of additional customers, while great industries would establish new banks to meet their needs. (Hear, hear.) Apart from this, bankers would hesitate at any action which would provide an adequate excuse for State intervention. Further, such a trust can surely never take place while even five independent institutions of such magnitude and of such a national character exist and are established in nearly all the big industrial centres. In the natural order of things the competition will be even more strenuous than ever, and this must operate in the interest of the traders and of the community.

Dealing with the proposals for amalgamation now submitted, the Chairman said there was no shadow of doubt that, in the interests of the shareholders, in the interests of the customers of the bank, and, what was of even more importance, in the interests of the country, these proposals should be adopted. The dividend the shareholders would receive would be increased substantially, as Barclays Bank paid 20 per cent., which was equivalent to 24*½* per cent. on the old capital of the London Provincial and South Western Bank. Their new shares, however, would carry dividend only from the 1st July, although the amalgamation in theory would take place as from the 1st January last. The shareholders had already received their dividend for the first six months of the year, and that for the second period would be paid on the higher scale. In anticipation of this event the market value of their capital holding had already improved by about £4 per share. (Hear, hear.) By this amalgamation they would become part proprietor of a bank with a paid-up capital of £7,280,444 and a reserve fund of £6,000,000, while, as a further assurance of the security of their holding, he might say that the net profit of the three institutions for the year 1917 was £1,797,000, of which amount the dividend he had indicated would absorb £887,000 only. He concluded by moving the formal resolutions adopting the amalgamation proposals.

Mr. J. W. Cross seconded the resolutions.

The resolutions were unanimously adopted, and a vote of thanks to the Chairman and directors concluded the proceedings.



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